

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
JANUARY 28, 2016**

IMPORTED WATER COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Watton called the Imported Water Committee meeting to order at 9:06 a.m. Committee members present were Chair Watton, Vice Chairs Saxod and Verbeke, and Directors Barnum, Evans*, Guerin, Heinrichs, Hogan, Madaffer, Murtland, Olson, Steiner, Weston and Wilson. Supervisor Roberts was absent. Also present were Directors Cherashore, Fong-Sakai, Gallo, Hall, Kennedy, Lewinger, Linden, Miller, 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, Interim General Counsel Taylor, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, MWD Program Director Chen, and Colorado River Program Director Denham.

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 Watton reported that on January 5, 2016 the State Water Resources Control Board hosted its second workshop focused on Salton Sea issues. The workshop featured panels of state agencies, Imperial Valley representatives, and environmental groups. Prior to the workshop, the Water Authority submitted written comments in support of the Salton Sea Task Force's efforts to date. He stated that Mr. Denham would provide more details during the Water Transfer Update presentation later in the meeting.

He noted that on Friday, January 22, 2016 the Water Authority's Colorado River Subcommittee members and Board Officers hosted Imperial Valley leaders on a tour of the Carlsbad Desalination Plant and Twin Oaks Valley Water Treatment Plant. Guests included representatives from the Imperial Irrigation District, each of the Valley's cities, Chambers of Commerce, agricultural representatives, and civic group representatives. The tour provided the Water Authority an opportunity to showcase critical local water resource projects and was a great opportunity to strengthen relationships with Imperial Valley leaders.

Chair Watton reported that the Department of Water Resources (DWR) increased the State Water Project allocation to 15 percent – a 5 percent increase from December, which equates to an additional 100,000 acre-feet of water for MWD. DWR's announcement also stated that 150 percent of average precipitation is a "rough guidepost" for the hydrology needed to significantly impact the statewide drought.

Chair Watton discussed the Imported Water Committee Work Plan progress report and highlighted some accomplishments for calendar year 2015.

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

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no consent calendar items.

II. ACTION/DISCUSSION

1. Metropolitan Water District Issues and Activities update.

1-A Metropolitan Water District Delegates report.

The delegates reported on discussion and action taken at the recent MWD board meetings. Following the report outs, Directors asked questions and made comments.

1-B Metropolitan Water District Integrated Water Resources Plan update.

Ms. Chen made a presentation on Metropolitan Water District's Integrated Water Resources Plan (IRP) 2015 update. She described some key findings contained in the IRP report, highlighted the technical analysis and policy concerns, and discussed next steps in the 2015 IRP update process. Following the presentation, Directors asked questions and made comments.

2. Colorado River Programs.

2-A Colorado River Board Representative's report.

Director Wilson reported on discussions at the December 2015 and January 2016 Colorado River Board meetings.

2-B Water Transfer Implementation Update.

Mr. Denham provided an update on recent activities related to the Water Authority/Imperial Irrigation District conserved water transfer agreement. Following the presentation, Directors asked questions and made comments.

III. INFORMATION

The following information item was noted and filed:

1. Metropolitan Water District Program Report.

Mr. Taylor took the Committee into Closed Session at 10:47 a.m.

IV. CLOSED SESSION

1. 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

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 Irrigation District for Modification of Revised Water Rights
Order 2002-0013

3. CLOSED SESSION:
Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(4)
Name of Case: State Water Resources Control Board
Potential Initiation of Litigation / One Case / MWD Forced Water Deliveries

4. CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: QSA Judicial Council Coordination Proceeding No. 4353

Mr. Taylor brought the Committee out of Closed Session at 11:25 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 11:26 a.m.

WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL

Chair Tu called the Water Planning Committee Meeting to order at 11:28 a.m. Committee members present were Chair Tu, Vice Chairs Brady* and Evans, and Directors Cherashore, Fong-Sakai, Hall, Kennedy, Lewinger*, Murtland, Preciado* and Simpson. Directors Ayala and Boyle were absent. Also present were Directors Barnum*, Gallo, Heinrichs, Hogan, Madaffer, Olson, Razak, Saxod, Verbeke, Watkins, Watton, 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, Interim General Counsel Taylor, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Water Resources

Director Yamada, Water Resources Manager Friehauf, and Senior Water Resources Specialist Tegio.

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 welcomed those present, reviewed the agenda, and announced the following agenda changes: the committee would first hear a staff report on Action/Discussion/Presentation Item 4, then immediately go into Closed Session for the purpose specified on the agenda. Chair Tu also remarked on a number of mid-term accomplishments from the Water Planning Committee Work Plan progress report for calendar years 2015 and 2016.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no Consent Calendar items.

II. ACTION/DISCUSSION

4. Update on water supply conditions and drought response activities.

Ms. Friehauf presented information on: the State Water Resources Control Board January 15, 2016, proposed emergency regulation timeline; modifications to the May 2015 regulation; proposed local drought-resilient supply credits criteria and reduction levels and how those would apply to the Carlsbad Desalination Project; and the Water Authority's response to the proposed emergency regulation.

IV. CLOSED SESSION

1. Conference with Legal Counsel - Anticipated Litigation
Government Code §54956.9(d)(4)
Potential Initiation of Litigation / One Case / State Water Resources Control
Board Emergency Regulations.

Mr. Taylor took the Committee into Closed Session at 11:35 a.m.

Mr. Taylor brought the Committee out of Closed Session at 12:31 p.m. and stated there was no reportable action.

At that time Chair Tu announced that the committee would break for a forty-minute lunch.

The committee reconvened at 1:10 p.m. at which time Vice Chair Brady, Committee members Lewinger and Preciado, and Director Barnum were also present.

II. ACTION/DISCUSSION

1. Professional services contract to AECOM to provide As-needed Environmental Consulting Services for a four-year period in an amount not to exceed \$4,000,000.
Staff recommendation: Authorize execution of a professional services contract agreement with AECOM Technical Services, Inc. to provide As-needed Environmental Consulting Services for four years in an amount not to exceed \$4,000,000.

Director Fong-Sakai recused herself from the discussion and subsequent vote. Mr. Tegio presented a summary of the scope of services and selection process for the contract and the qualifications of AECOM Technical Services.

Director Evans moved, Director Murtland seconded, and the motion to approve staffs' recommendation passed unanimously.

2. Resolution for the Hauck Mesa Storage Reservoir Project.
Staff recommendation: Adopt Resolution No. 2016-01 that: finds that the project will not have a significant effect on the environment; adopts the Final Mitigated Negative Declaration; adopts a Mitigation Monitoring and Reporting Program; approves the Hauck Mesa Storage Reservoir Project; and authorizes filing of a Notice of Determination.

Mr. Tegio summarized project objectives and impacts, and reported that written comments received during the public review period resulted in the addition of clarifying language to the Final Mitigated Negative Declaration.

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

3. Report on Preparation of Draft 2015 Urban Water Management Plan and Preliminary Projections on Water Supplies.

Chair Tu advised that Action/Discussion item II-3 would be forwarded to the March 24, 2016 Water Planning Committee agenda.

III. INFORMATION

The following information items were received and filed:

1. Water Resources report.
2. Fiscal Year 2016 water supply allocations monitoring.

V. ADJOURNMENT

Chair Tu adjourned the meeting at 1:20 p.m.

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Williams called the Engineering and Operations Committee meeting to order at 1:25 p.m. Committee members present were Chair Williams, Vice Chairs Miller and Watkins, and Directors Croucher, Heinrichs, Hogan, Linden, Morrison, Olson, and Simpson. Committee members absent were Directors Arant, Ayala, Boyle, Brady, and Razak. Also present were Directors Barnum, Cherashore, Evans, Fong-Sakai, Gallo, Guerin, Hall, Hilliker, Kennedy, Lewinger, Madaffer, Muir, Murtland, Preciado, Saxod, Steiner, Tu, Verbeke, Watton, Weston, 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, Interim General Counsel Taylor, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Operations and Maintenance Fisher, Director of Engineering Reed, Operations and Maintenance Manager Schuler, Administrative Services Manager Troche, Energy Program Manager Rodgers, Principal Engineer Kuzmich, and Senior Engineer Fountain.

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 E&O Committee Work Plan progress report was included in the packet. He pointed out three important accomplishments – the completion of San Vicente Dam Raise, filling of San Vicente Reservoir, and the Carlsbad Desalination project.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION/PRESENTATION

1. Contract for purchase and installation of electric continuous duty valve actuators at various Water Authority facilities.
Staff recommendation: Authorize the General Manager to award a three (3) year contract in the amount of \$1,907,590 to provide, retrofit, and install

approximately 100 electric continuous duty valve actuators at various Water Authority facilities.

Ms. Schuler presented photos showing what the valve actuators looked like. She provided information on how the valves worked and how the Water Authority used them, and the contract bid summary.

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

2. Contract amendment with Braun Blaising McLaughlin & Smith PC for legal and consulting services.

Staff recommendation: Authorize the General Counsel to execute a contract amendment with Braun Blaising McLaughlin & Smith PC (Braun) for legal and consulting services to increase the contract amount by \$290,000 for a new contract amount of \$340,000.

Ms. Rodgers gave a presentation including an overview of the Energy Program, background information on Braun, original contract details, and the proposed amendment through fiscal year 2017.

Director Linden moved, Director Heinrichs seconded, and the motion to approve staffs' recommendation passed unanimously.

3. Carlsbad Desalination Project Update.

Mr. Belock gave the final Carlsbad Desalination Project update including project statistics, system commissioning, summary of surge test pressures and visual representation. He reported on contract administration memoranda, valve issues on the conveyance pipeline, and budget summary. He also discussed what went well and challenges observed on the project.

III. INFORMATION

1. Hydropower Subcommittee Update.

Director Hogan reported that the Hydropower Subcommittee had not yet met in 2016. He stated that staff had updated him regarding ongoing work for the committee work plan, and that the Hydropower Subcommittee would meet in February and an update would be provided at the February 25, 2016 Engineering and Operations Committee meeting.

IV. CLOSED SESSION

Mr. Taylor took the Committee into Closed Session at 1:58 p.m.

1. **CLOSED SESSION:**
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: Hemet Manufacturing Company Inc.; DBA Genesis Construction
v. SDCWA; San Diego Superior Court Case No. 37-2015-00041627-CU-WM-
CTL

Mr. Taylor brought the committee out of closed session at 2:04 p.m. and stated there were no reportable action.

V. ADJOURNMENT

There being no further business to come before the Engineering and Operations Committee, Chair Williams adjourned the meeting at 2:05 p.m.

ADMINISTRATIVE AND FINANCE COMMITTEE **CALL TO ORDER / ROLL CALL**

Vice Chair Wilson called the Administrative and Finance Committee meeting to order at 2:20 p.m. Committee members present were Vice Chair Wilson, Directors Cherashore, Fong-Sakai, Gallo, Hilliker, Kennedy, Lewinger, Muir, Verbeck, Watkins, Weston and Williams. Committee member absent were Chair Arant, Vice Chair Razak, and Director Watton. Also present were Directors Barnum, Croucher, Evans, Guerin, Hall, Heinrichs, Hogan, Linden, Madaffer, Miller, Morrison, Murtland, Olson, Preciado, Saxod, Simpson, Steiner and Tu, 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, Interim General Counsel Taylor, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Finance/Treasurer Harris, Director of Administrative Services Brown, Director of Water Resources Yamada, 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

Vice Chair Wilson announced the progress report on the Administrative and Finance Committee Work Plan could be found on page 117 of the Board packet. He then reviewed highlights of the work plan items completed.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Monthly Treasurer's Report on Investments and Cash Flow.
Staff recommendation: Note and file the monthly Treasurer's report.

2. Approve the selection of Wells Fargo Bank as the commercial banking services provider.
Staff recommendation: Authorize the General Manager to award a commercial banking service contract to Wells Fargo Bank for a five-year period with two one-year renewal options.

Director Kennedy moved, Director Lewinger seconded, and the motion to approve staffs' recommendations passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION

1. Adopt the Water Authority's 2015 Long-Range Financing Plan.
Staff recommendation: Adopt, as final, the Water Authority's 2015 Long-Range Financing Plan.

Ms. Harris provided a presentation on the 2015 Long-Range Financing Plan (LRFP) which included stakeholder involvement in development of the Plan, response to board inquiries, balancing cash and debt funding, PayGo utilization, stored water fund, and LRFP revisions and key conclusions.

Directors asked questions and staff provided answers.

Director Weston moved that the Board adopt the 2015 Long-Range Financing Plan, without approving the permanent status or the maximum funding level associated with the stored water fund as stated on page 70 of the document, and directed staff to return the item for consideration of the Board in February in concert with policies associated with optimal levels for Water Authority in-region storage.

Director Cherashore seconded Director Weston's motion, and the motion passed unanimously.

2. Owner Controlled Insurance Program for Emergency and Carryover Storage Projects.

Mr. Brown provided a presentation on the Owner Controlled Insurance Program (OCIP) for Emergency and Carryover Storage Projects (ESP) which included a historical timeline of the ESP, a comparison of traditional versus OCIP insurance models, and a review of the status of the three goals established at the inception of the OCIP. All goals were successfully met.

III. INFORMATION

The following items were noted and filed:

1. Controller's Report on Monthly Financial Statements.
2. Board of Directors' fourth quarter 2015 expenses and attendance.
3. Board Calendar.

V. CLOSED SESSION

There were no closed session items.

VI. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Vice Chair Wilson adjourned the meeting at 2:48 p.m.

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

Chair Croucher called the Legislation, Conservation and Outreach Committee to order at 2:53 p.m. Committee members present were Chair Croucher, Vice Chairs Guerin and Steiner, and Directors Barnum, Gallo, Hall, Hilliker, Morrison, Muir, Preciado, Saxod, Tu and Supervisor Roberts. Committee member absent was Director Madaffer. Other Board members present were Directors Cherashore, Evans, Fong-Sakai, Heinrichs, Hogan, Kennedy, Lewinger, Miller, Murtland, Olson, Simpson, Verbeke, Watton, 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 were General Manager Stapleton, Interim General Counsel Taylor, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Public Outreach and Conservation Foster, Government Relations Manager Farrel and Water Resources Specialist Mooney. Also present was legislative representative V. John White.

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 Croucher reported that the Legislature returned to work on January 4, 2016 for the second year of its two-year legislative session, and that the Governor had released the proposed 2016-2017 state budget and his annual state-of-the-state address. He reported that the State Assembly had taken an official vote to elect Assemblymember Anthony Rendon as the next Assembly Speaker. He also reported that Water Authority staff had actively monitored informational hearings in the Legislature over past months, and Water Authority staff Toby Roy and City of San Diego staff Brent Eidson participated as panelists on the Assembly Select Committee on Water Consumption and Alternative Sources informational hearing relating to indirect and direct potable reuse.

He reported the Water Authority and its Integrated Regional Water Management partners announced the region had secured \$31 million in Prop 84 IRWM final round funding. He added that the funding would support 13 projects that would increase local water supplies, decrease demand, improve water quality, manage stormwater, restore habitat, and enhance species.

He announced the Water Authority would host the first full session of the Qualified Water Efficient Landscaper Certification Program in February. The program was designed to help propel transformation of the region's landscapes by ensuring we have qualified landscape professionals for installation and maintenance. The first classes commence on February 11 and February 17, 2016.

I. CONSENT CALENDAR

1. Professional Services Contract with Hoch Consulting for Grant Administration Services.

Staff recommendation: Award a four-year professional services contract with an option for two additional years to Hoch Consulting for grant administration services in the amount of \$768,000.

Director Saxod pulled Consent Calendar item 1 for discussion. Ms. Mooney provided clarification regarding the contract and staff recommendation.

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

II. ACTION/DISCUSSION

1. Legislative Issues.

1-A Washington Report by Ken Carpi.

1-B Sacramento Report by V. John White – V. John White Associates.

Mr. White provided a Sacramento report which included changes to committees and a discussion of the Porter Ranch gas leak issue. He also provided an overview of water issues being discussed in the Legislature.

2. Water Authority Sponsorship of Legislation in the 2016 State Legislative Session. Staff recommendations:

a. Sponsor legislation during 2016 to ensure that drought-sustainable local water supplies are afforded appropriate crediting or adjustment against any mandatory water use reductions imposed by the state.

b. Sponsor legislation during 2016 to improve the State Water Resources Control Board's drought emergency regulation implementation process.

Mr. Farrel presented an overview of Board's prior action on sponsorship and explained reasoning for the staff recommendations.

Director Steiner moved a motion to not approve staff's recommendation and approved to seek an author for a spot bill to address drought response and return to the Board in the future to discuss further. Director Tu seconded the motion and the motion passed unanimously.

3. Federal Legislative Priorities for 2016.

The item was continued to the February 25, 2016 Board meeting.

III. INFORMATION

The following information items were received and filed:

1. Drought Response Communications and Outreach Update.
2. Government Relations Update.

IV. ADJOURNMENT

There being no further business to come before the Legislation, Conservation and Outreach Committee, Chair Croucher adjourned the meeting at 3:37 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF JANUARY 28, 2016

1. **CALL TO ORDER** Chair Weston called the Formal Board of Directors' meeting to order at 3:47 p.m.
2. **SALUTE TO THE FLAG** Director Heinrichs led the salute to the flag.
3. **ROLL CALL, DETERMINATION OF QUORUM**
Vice Chair Muir called the roll. Directors present were Barnum, Cherashore, Croucher, Evans, Fong-Sakai, Gallo, Guerin, Hall, Hilliker, Heinrichs, Hogan, Kennedy, Lewinger, Miller, Morrison, Muir, Murtland, Olson, Preciado, Saxod, Simpson, Steiner, Tu, Verbeke, Watton, Weston, Williams, Wilson, and Supervisor Roberts. Directors absent were Arant, Ayala, Boyle, Brady, Linden(p), Madaffer, Razak, and Watkins.

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 Evans moved, Director Lewinger seconded, and the motion carried at 86.71% of the vote to approve the minutes of the Formal Board of Directors' meeting of December 10, 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 Re-Appointment of Director. Re-Appointment of Ronald Watkins representing Yuima Municipal Water District. Term ending January 13, 2022.

7-B Re-Appointment of Director. Re-Appointment of Betty Evans representing Vallecitos Water District. Term ending March 13, 2022.

Chair Weston announced the re-appointment of Directors Watkins and Evans.

* Director Morrison left the meeting at 3:50 p.m.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Weston reported that he attended the Claude "Bud" Lewis Carlsbad Desalination Facility dedication on December 14, 2015 and thanked staff for all the hard work involved. He announced that the submittal period for General Counsel applications had closed and the first interviews were scheduled for February 1, 2016 and interviews would be held with the Board of Directors at a Special Board Meeting scheduled for February 11, 2016.

He also reported on meeting with Ms. Stapleton and MWD Board Chair Randy Record and MWD General Manager Jeff Kightlinger where they discussed issues regarding CWA zero flow requests on Pipeline 4. He attended a Water Authority sponsored tour along with a host of representatives from Imperial Valley including IID, Imperial County, Cities in the Valley, Farm Bureau, ranchers, community and civic groups. The tour included the Carlsbad Desalination Facility, pipeline, and the connection to the Twin Oaks Valley Water Treatment Plant. He also stated that he would be attending the San Diego Regional Chamber of Commerce annual dinner later that evening and announced that the fifth Water Citizens Academy Class was scheduled to begin on February 4, 2016.

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

Imported Water Committee. Director Watton reviewed the meeting stated there was no action taken.

Water Planning Committee. Director Tu reviewed the meeting and the action taken.

Engineering and Operations Committee. Director Williams reviewed the meeting and the action taken.

Administrative and Finance Committee. Director Wilson reviewed the meeting and the action taken.

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

9. **CONSENT CALENDAR**

Director Lewinger pulled item 9- 9 from the consent calendar.

Director Kennedy moved, Director Murtland seconded, and the motion carried at 86.02% of the vote to approve the modified consent calendar. Directors voting no or abstaining are listed under the item number.

- 9- 1. Professional services contract to AECOM to provide As-needed Environmental Consulting Services for a four-year period in an amount not to exceed \$4,000,000.
The Board authorized execution of a professional services agreement with AECOM Technical Services, Inc. to provide As-needed Environmental Consulting Services for four years in an amount not to exceed \$4,000,000.

Directors Fong-Sakai and Heinrichs abstained from item 9- 1.

- 9- 2. Resolution for the Hauck Mesa Storage Reservoir Project.
The Board adopted Resolution No. 2016-01, finding that the project will not have a significant effect on the environment; adopted the Final Mitigated Negative Declaration; adopted a Mitigation Monitoring and Reporting Program; approved the Hauck Mesa Storage Reservoir Project; and authorized filing of a Notice of Determination.

- 9- 3. Contract for purchase and installation of electric continuous duty valve actuators at various Water Authority facilities.
The Board authorized the General Manager to award a three (3) year contract in the amount of \$1,907,590 to provide, retrofit, and install approximately 100 electric continuous duty valve actuators at various Water Authority facilities.

- 9- 4. Contract amendment with Braun Blaising McLaughlin & Smith PC for legal and consulting services.
The Board authorized the General Counsel to execute a contract amendment with Braun Blaising McLaughlin & Smith PC (Braun) for legal and consulting services to increase the contract amount by \$290,000 for a new contract amount of \$340,000.

- 9- 5. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's report.

- 9- 6. Approve the selection of Wells Fargo Bank as the commercial banking services provider.
The Board authorized the General Manager to award a commercial banking service contract to Wells Fargo Bank for a five-year period with two one-year renewal

options.

- 9- 7. Adopt the Water Authority's 2015 Long-Range Financing Plan.
The Board adopted the 2015 Long-Range Financing Plan without approving the permanent status of the maximum funding level associated with the stored water fund as stated on page 70 of the document and directed staff to return the item for consideration of the Board in February in concert with policies associated with optimal levels for Water Authority in-region storage.
- 9- 8. Professional Services Contract with Hoch Consulting for Grant Administration Services.
The Board awarded a four-year professional services contract with an option for two additional years to Hoch Consulting for grant administration services in the amount of \$768,000.
- 9- 9. Water Authority Sponsorship of Legislation in the 2016 State Legislative Session.
The Board did not approve staff's recommendation and instead approved to seek an author for a spot bill to address drought response and return to the Board in the future to discuss further.

This item was pulled from the consent calendar and an electronic vote was taken for the above action. The vote passed at 61.84% with Directors Barnum, Gallo, Hall, Hogan, Kennedy, Lewinger, Linden(p), Verbeke, and Wilson voting No. Director Olson abstained.

10. **ACTION/DISCUSSION**

11. **SPECIAL REPORTS**

- 11-A GENERAL MANAGER'S REPORT – Ms. Stapleton stated there was nothing further to report.
- 11-B GENERAL COUNSEL'S REPORT – Mr. Taylor stated there was nothing further to report.
- 11-C SANDAG REPORT – Vice Chair Muir stated there was nothing to report.
SANDAG Subcommittee: Borders/Regional Planning Committee – Director Saxod reported on the recent committee meeting.
- 11-D AB 1234 Compliance Reports – No reports were given.

12. **CLOSED SESSION(S)**

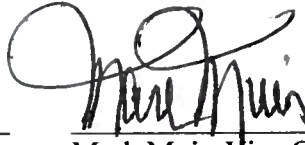
Mr. Taylor announced there was no need for a Closed Session.

- 12-A 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 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-C Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(4)
Potential Initiation of Litigation / One Case / MWD Forced Water Deliveries
- 12-D Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: QSA Judicial Council Coordination Proceeding No. 4353
- 12-E Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(4)
Potential Initiation of Litigation / One Case / State Water Resources Control Board Emergency Regulations
- 12-F Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: Hemet Manufacturing Company Inc.; DBA Genesis Construction v. SDCWA; San Diego Superior Court Case No. 37-2015- 00041627-CU-WM-CTL
13. **ACTION FOLLOWING CLOSED SESSION**
There was no action following Closed Session.
14. **OTHER COMMUNICATIONS**

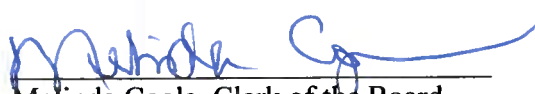
15. **ADJOURNMENT**
The meeting was adjourned at 4:03 p.m.



Mark Weston, Chair



Mark Muir, Vice Chair



Melinda Cogle, Clerk of the Board