

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
FEBRUARY 28, 2013**

ADMINISTRATIVE AND FINANCE COMMITTEE

Chair Saunders called the Administrative and Finance Committee meeting to order at 9:00 a.m. Committee members present were Chair Saunders, Vice Chairs Arant and Wight, Directors Bailey*, Dailey, Hogan, Lewinger, Topolovac, Watton*, Weston, and Wilson. Committee members absent were Directors Hilliker, Sanford, and Williams. At that time, there was a quorum of the Board, however only Committee members participated in the vote. Also present were Directors Barnum, Brady, Croucher, Douglas, Lamb, Linden, Madaffer, Miller, Murtland, Saxod, Verbeke, and Wornham.

* Director Watton arrived at 9:25 a.m. and Director Bailey arrived at 9:30 a.m.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Finance/Treasurer McCraner, Director of Human Resources Leone, Director of Administrative Services Young, Financial Planning Manager Shank, and Controller Greek.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

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

CHAIR'S REPORT

Chair Saunders announced the Official Statement for the Series 2013A Water Revenue Refunding Bonds had been distributed to the Board.

Chair Saunders informed the Board of the liquidation of the 2002 Debt Service Reserve Fund. He provided information regarding the reason for the liquidation, as well as the impact on the Water Authority's debt service.

Chair Saunders stated the Administrative and Finance Committee draft goals for calendar years 2013 and 2014 could be found in the Board packet. He requested comments and suggestions and stated final goals would be considered for adoption at the March 28, 2013 Board meeting. He announced that Ms. Stapleton would provide more information on the draft goals related to cost of service study and fiscal sustainability.

Ms. Stapleton outlined the schedule and intent for two phases of a cost of service study, and described the work to be achieved by a Fiscal Sustainability task force, chaired by Director Wight. Ms. Stapleton stated findings of the cost of service study, as well as recommendations of the Fiscal Sustainability task force would be provided to the committee in periodic reports.

DIRECTORS' COMMENTS

There were no Director's comments.

I. CONSENT CALENDAR

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

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

II. ACTION/DISCUSSION

1. Presentation on the results from the Water Refunding Bonds, Series 2013A and an overview of the Water Authority's debt portfolio.

Mr. Shank reviewed the results from the Water Revenue Bonds, Series 2013A which included market conditions and sources, and uses of funds. He followed with an overview of the debt portfolio, which included recent changes to the portfolio, a Water Authority debt instruments summary, existing long-term debt schedule, variable-rate debt portfolio, variable-rate debt term structure, and future activities.

Mr. Shank stated future activities would include: 1) replacing the expiring Barclays Facility, to come before the Board in March/April 2013, 2) exploring self-liquidity instruments such as extendable commercial paper, and 3) completing the Long-Range Financing Plan Update in calendar year 2015.

2. Adopt Supplement to Debt Management Policy – Written procedures to ensure compliance with requirements for Tax Exempt Bonds.
Staff recommendation: Adopt proposed Supplement to Debt Management Policy – Written procedures to ensure compliance with requirements for Tax Exempt Bonds.

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

III. INFORMATION

The following items were noted and filed:

1. Controller's report on monthly financial statements.
2. Board calendar.

IV. CLOSED SESSION

1. CLOSED SESSION:
Conference with Labor Negotiator, Government Code §54957.6 Agency
Designated Representatives: Frank Belock, Susan Leone
Unrepresented Employees: Executive and Senior Manager Group

The closed session item was moved to the March 28, 2013 meeting.

V. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Chair Saunders adjourned the meeting at 9:35 a.m.

ENGINEERING AND OPERATIONS COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Brady called the Engineering and Operations Committee meeting to order at 9:40 a.m. Committee members present were Chair Brady, Vice Chairs Miller and Pocklington, and Directors Bailey, Barnum, Murtland, Price, Simpson, Tu, Verbeke, and Wornham. Committee members absent were Directors Morrison, Mudd, and Watkins. Also present were Directors Arant, Croucher, Dailey, Douglas, Hilliker, Hogan, Lamb, Lewinger, Linden, Saunders, Saxod, Topolovac, Watton, Weston, Williams, and Wilson. At that time, there was a quorum of the full Board, and the meeting was conducted as a meeting of the Board, however only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Engineering Rose, Director of Operations and Maintenance Eaton, Engineering Manager Reed, Engineering Manager Bousquet, and Principal Construction Manager Kenny.

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 Brady announced the E&O draft Goals for 2013-2014 were in the packet. The goals were broken into five areas: Asset Management, Capital Improvement Program, Seawater Desalination, Facilities Security and Emergency Preparedness, and Operations and Maintenance. Chair Brady asked Board members to review and send comments to him the first week of March to be considered at the March 28, 2013 meeting.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Professional services contract with Overland, Pacific & Cutler, Inc. for right of way acquisition as-needed services.
Staff recommendation: Authorize the General Manager to award three-year, as-needed professional services contract, in an amount not-to-exceed \$200,000 to Overland, Pacific & Cutler Inc., to provide right of way acquisition services for capital improvement and operating projects through fiscal year 2016.

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

II. ACTION/DISCUSSION

1. Professional services contract with SAIC Energy Environment & Infrastructure LLC for as-needed construction support services for the Carlsbad Desalination Water Conveyance Pipeline project.

Staff recommendation: Authorize the General Manager to approve Amendment No. 2 to the professional services contract with SAIC Energy Environment & Infrastructure LLC, formerly R.W. Beck, for as-needed construction management support services to support the Carlsbad Desalination Water Conveyance Pipeline project, in an amount not-to-exceed \$1.6 million, for a total contract value of \$3.6 million.

Principal Construction Manager Kenny gave a brief summary of the item.

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

III. INFORMATION

1. Presentation on the San Vicente Dam Raise project.

Engineering Manager Reed gave a presentation on the San Vicente Dam Raise project including the raised dam, Carpi liner installation, outlet tower and crest control building, outlet works, schedule update, and upcoming activities. He announced that staff estimated a potential delay of seven months in completion of the dam raise project, due to delays in manufacturing of a 108-inch valve for the outlet works.

IV. CLOSED SESSION

There were no closed session items on the agenda.

V. ADJOURNMENT

There being no further business to come before the Engineering and Operations Committee, Chair Brady adjourned the meeting at 10:00 a.m.

IMPORTED WATER COMMITTEE **CALL TO ORDER / ROLL CALL**

Chair Saxod called the Imported Water Committee meeting to order at 10:08 a.m. Committee members present were Vice Chairs Lamb and Williams, Directors Arant, Croucher, Hogan, Lewinger, Linden, Muir*, Pocklington, Price, Steiner*, Wilson, and Wornham. Director Watkins was absent. Also present were Directors Bailey, Barnum, Boyle, Brady, Douglas, Hilliker, Madaffer, Miller, Mudd, Murtland, Saunders, Simpson, Topolovac, Tu, Verbeke, Watton, Weston, and Wight. At that time, there was a quorum of the full Board, and the meeting was conducted as a meeting of the Board, however, only committee members participated in the vote.

Staff present included General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of MWD Program Chen, Colorado River Program Director Razak, and others.

*Directors Steiner and Muir arrived at 10:15 a.m. and 11:00 a.m., respectively.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

Aubrey Bettencourt, executive director of California Water Alliance, spoke before the committee regarding her concern about the alternative proposal by the Natural Resources Defense Council for the Bay Delta Conservation Plan, of which the San Diego County Water Authority supports an evaluation. She provided two documents for distribution to the board members (Farm Water Coalition's analysis of impacts of the alternative proposal and business coalition letter).

DIRECTORS' COMMENTS

Director Arant requested a response to comments made by the public speaker. Ms. Stapleton stated that staff would follow up at the March 28, 2013 Board Meeting.

CHAIR'S REPORT

Chair Saxod reported that Assemblyman Ben Hueso, Chair of the Assembly Committee on Water, Parks and Wildlife, held an informational hearing to discuss issues regarding the restoration of the Salton Sea. He was joined by Assemblyman Manuel Perez of Coachella and Imperial County, and Assemblyman Brain Nestande of Palm Springs. The hearing focused on gathering updates on current state efforts on the Species Conservation Habitat Program and to begin discussions on longer-range vision for restoration.

Chair Saxod reported that the California Natural Resources Agency released a report, conducted by UC Berkeley Economics Professor David Sunding of the Brattle Group, that found the Bay Delta Conservation Plan to be a major job creator for the state and the Delta region. She stated that staff was reviewing the document and would return to the committee with an assessment of various cost benefit analyses on the topic.

Chair Saxod stated that the U.S. Bureau of Reclamation released low 2013 water allocations from the Central Valley Project. For the State Water Project, the California Department of Water Resources continued to hold its SWP allocation at 40% of the contractor's Table A entitlement.

In addition, Chair Saxod announced that the Imported Water Committee draft goals for calendar years 2013 and 2014 were available in the board packet.

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 discussions and actions taken at the recent MWD board meetings.

The agenda was taken out of order and Mr. Hentschke took the Committee into closed session at 10:36 a.m.

IV. CLOSED SESSION

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

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a)
Name of Case: State Water Resources Control Board (SWRCB) Imperial Irrigation District and San Diego County Water Authority Joint Petition for Modification of Revised Order WRO 2002-0013 (Permit 7643, Application 7482)

Mr. Hentschke brought the Committee out of Closed Session at 11:18 a.m. and stated there was no reportable action.

2. Colorado River Program.
2-A Colorado River Board representative's report.

Director Hogan reported on the February Colorado River Board meeting.

The agenda was taken out of order to item 4-B under Chair's Report. Ms. Stapleton introduced Terry Fulp, Bureau of Reclamation Regional Director, at the request of Chair Saxod. Mr. Fulp addressed the Committee and directors asked questions and made comments.

III. INFORMATION

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

Mr. Hentschke took the Committee into closed session at 11:45 a.m.

IV. CLOSED SESSION

2. CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a) – SDCWA v Metropolitan Water District of Southern California; Case Nos. CPF-10-510830 and CPF-12-512466

3. CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a) – SDCWA v City of Los Angeles Department of
Water and Power; Case No. BS136663

4. CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a) – SDCWA v Eastern Municipal Water District;
Riverside Superior Court Case No. RIC1300887

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

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Chair Saxod adjourned the meeting at 12:01 p.m.

WATER PLANNING COMMITTEE **CALL TO ORDER/ROLL CALL**

Chair Douglas called the Water Planning Committee Meeting to order at 1:05 p.m. Committee members present were Chair Douglas, Vice Chair Watton, and Directors Brady, Linden, Madaffer, Miller, Murtland, Sanford, Saunders, Saxod, Simpson, Steiner and Weston. Vice Chair Boyle was absent. Also present were Directors Arant, Bailey, Barnum, Croucher, Dailey, Hilliker, Hogan, Lamb, Lewinger, Morrison, Muir, Pocklington, Topolovac, Verbeke, Williams, Wilson and Wornham. At that time, there was 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 Manager Roy, Engineer Dave Chamberlain, Principal Water Resources Specialist Stadler and Water Resources Specialist Dobalian.

PUBLIC COMMENT

There were no public comments.

DIRECTORS' COMMENTS

There were no comments made by Directors.

CHAIR'S REPORT

Chair Douglas thanked former Committee Chair Weston for his service during the two committee meetings in January 2013, and thanked Board Chair Wornham for her appointment of Committee Chair. She advised that a committee member would be invited to attend the monthly committee pre-brief meeting on a rotational basis. She announced there would be a Special Meeting of the Water Planning Committee on March 14, 2013, for a workshop on the Regional

Water Master Facilities Optimization and Master Plan Update. Chair Douglas reported that a presentation on bi-national seawater desalination facilities was given at the SANDAG meeting on February 22, 2013. She announced the draft 2013-2014 Committee goals would be adopted at the March 28, 2013 Board meeting, and invited comments from Committee and Board members.

I. CONSENT CALENDAR

There were no items for the Consent Calendar.

II. ACTION/DISCUSSION

There were no items for Action/Discussion.

III. INFORMATION

1. Integrated Regional Water Management Program Plan Update.

Mr. Stadler presented information on the San Diego Integrated Regional Water Management Plan's planning process, grant acquisition, grant administration, and schedule going forward. He concluded with several examples of successful projects funded by the program. Staff responded to questions posed by Director Arant related to quantification of water produced and funding. Director Arant suggested the information gathered could be important and useful in a potential upcoming Water Bond for the purpose of demonstrating the successful results of the program.

2. Regional Water Facilities Optimization and Master Plan update.

Mr. Weinberg discussed work and processes involved in developing the Regional Water Facilities Optimization and Master Plan update, including how the Urban Water Management Plan (UWMP) served as a foundation of the work. He provided information from the 2003 Master Plan with emphasis on improved supply reliability and treatment capacity, and provided examples of work completed to meet those goals.

Mr. Chamberlain explained the analyses and evaluations of staff to identify potential gaps in performance, and to develop portfolio options, using the UWMP as the basis and taking various supply scenarios into consideration.

Director Lewinger suggested that potential joint efforts among agencies and the Water Authority for local supply development and supply movement be considered for a regional approach. Mr. Weinberg reported that staff was compiling an alternative scenario – Maximum Local Supply Development – to foresee potential local/regional projects and their effect on Water Authority facilities and operations.

3. Water supply and demand conditions.

Ms. Dobalian provided a presentation on water supply conditions that included information on the State Water Project and reservoir storage, Colorado River, Metropolitan

storage and local supply conditions and precipitation amounts, concluding that the current condition was a dry water year.

The following report was received and filed:

4. Water Resources report.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

Chair Douglas adjourned the meeting at 2:29 p.m.

LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE

CALL TO ORDER/ROLL CALL

Chair Topolovac called the Legislation, Conservation and Outreach Committee to order at 2:36 p.m. Committee members present were Chair Topolovac, Vice Chairs Croucher and Madaffer, Directors Barnum, Dailey, Douglas, Hilliker, Lamb, Morrison, Muir, Tu, Verbeke and Wight. Committee members absent were Directors Boyle and Mudd. Other Board members present were Directors Arant, Bailey, Brady, Hogan, Knutson, Lewinger, Linden, Murtland, Pocklington, Sanford, Saxod, Simpson, Steiner, 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, Water Resources Manager Roy, Principal Water Resources Specialist Michelon and Public Affairs Representative Hubert.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

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

CHAIR'S REPORT

Chair Topolovac stated the draft LCO Committee Goals were in the board packet for review and comment. He announced the upcoming SCOOP committee meeting on March 8, 2013. He spoke about the daily news clips distributed by the Public Outreach and Conservation department and encouraged directors to have their respective agencies board members sign up for the service.

He announced the publication of the 2012 Annual Report and Public Affairs Representative Hubert presented a preview of the report's new website format, including videos from community leaders.

DIRECTORS' COMMENTS

There were no Director's comments.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION

1. Legislative Issues.

1-A Report by Carpi and Clay.

Mr. Clay reported on legislative issues, and stated approximately 2200 bills were introduced by the February 22, 2013 deadline for bill introduction. He reported that the Water Authority's sponsor proposal regarding recycled water was being carried by Assembly Member Hueso as AB 613 and he would report progress on that in the future. Mr. Clay also stated the Water Authority's sponsorship proposal dealing with the California Air Resources Board (CARB) and how carbon auction funds are rebated to water agencies has been put on hold. He reported on CEQA reform and stated that no meaningful changes were expected, partially due to Senator Rubio's resignation. Mr. Clay highlighted a bill by Assembly Member Gatto for sacred sites and said he would provide more information as it unfolded. He also spoke regarding the Governor's budget plan which recommended moving the Department of Public Health drinking water program to the State Water Board.

1-B Sponsorship of Direct Potable Reuse Bill in the State Legislature.

Staff recommendation: Request that the National Water Research Institute convene an expert panel and advisory group to prepare a report on the feasibility of direct potable reuse. In addition, add definitions to the water code for "advanced treated purified water, raw water augmentation" and "treated water augmentation."

Water Resources Manager Roy presented on the direct potable reuse bill.

Director Lamb moved, and Director Muir seconded, to adopt staff recommendation and the motion passed unanimously.

2. Authorize the General Manager to enter into Grant Agreement with the California Department of Water Resources to accept \$1,066,725 in Water Conservation Program funding.

Staff recommendation: Authorize the General Manager to enter into a two-year agreement with the Department of Water Resources for \$1,066,725 in grant assistance.

Principal Water Resource Specialist Michelon presented on the grant agreement with the California Department of Water Resources for water conservation program funding.

Director Muir moved, and Director Dailey seconded, to adopt staff recommendation and the motion passed unanimously.

III. INFORMATION

1. Presentation on Newly Introduced Bills.

Assistant General Manager Cushman spoke about the newly introduced bills and provided summaries to the board for their review. He stated that staff would return to the Board in March 2013 with recommendations on legislative positions, and would continue to do so throughout the year.

2. Water Conservation Garden Report.

Director Linden announced the upcoming board visit to the Water Conservation Garden on May 2, 2013.

The committee received and filed the following item:

3. Government Relations update.

IV. ADJOURNMENT

There being no further business to come before the Legislation, Conservation and Outreach Committee, Chair Topolovac adjourned the meeting at 3:11 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF FEBRUARY 28, 2013

1. **CALL TO ORDER** Chair Wornham called the Formal Board of Directors' meeting to order at 3:25 p.m.
2. **SALUTE TO THE FLAG** Director Arant led the salute to the flag.
3. **ROLL CALL, DETERMINATION OF QUORUM**
Secretary Hogan called the roll. Directors present were Arant, Bailey, Barnum, Brady, Croucher, Dailey, Hilliker, Hogan, Lamb, Lewinger, Madaffer, Morrison, Mudd, Muir, Murtland, Pocklington, Sanford, Saxod, Simpson, Steiner, Topolovac, Verbeke, Watton, Weston, Wight, Wilson, and Wornham. Directors absent were Boyle, Douglas, Linden, Miller, Price, Saunders, Tu, Watkins and Williams.

3-A **Report on proxies received.** Director Arant was the proxy for Director Watkins, Director Verbeke was the proxy for Director Linden, and Director Lewinger was the proxy for Director Douglas.
4. **ADDITIONS TO AGENDA** There were no additions to the agenda.
5. **APPROVAL OF MINUTES** Director Wilson announced he was incorrectly marked as absent and requested an administrative change be made to the minutes of the Special

meeting of the Water Planning Committee of January 10, 2013 to reflect that he was present at the meeting.

Director Wilson moved, Director Dailey seconded, and the motion carried at 91.69% of the vote to approve the minutes of the Special meeting of the Water Planning Committee of January 10, 2013 and the Formal Board of Directors' meeting of January 24, 2013.

6. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION**

There were no members of the public that wished to speak.

7. **PRESENTATIONS AND PUBLIC HEARINGS**

7-A Retirement of Director. Adopt Resolution 2013-06 honoring Mitch Dion upon his retirement from the Board of Directors.

7-B Appointment of Director. Jim Murtland representing Rincon del Diablo Municipal Water District. Term expires June 20, 2014.

7-C Retirement of Director. Adopt Resolution 2013-07 honoring Bill Knutson upon his retirement from the Board of Directors.

7-D Appointment of Director. Ronald Watkins representing Yuima Municipal Water District. Term expires January 13, 2016.

Chair Wornham thanked Director Dion for his contribution to the Board. Director Dion expressed his gratitude for having the opportunity to serve on the Board and recognized the outstanding talents and professionalism of staff and leadership. He further thanked his fellow Directors for the many accomplishments collaboratively achieved over his years serving on the Board. In closing Director Dion urged the Board to address the San Diego region watersheds in the future, and stated that in his opinion that was the key to a reliable water supply.

Director Pocklington moved, Director Murtland seconded, and the motion carried at 91.69% of the vote to adopt Resolution No. 2013-06 honoring Mitch Dion upon his retirement from the Board of Directors.

Chair Wornham announced the appointments of Director Murtland, representing Rincon del Diablo MWD, and Director Watkins, representing Yuima MWD and welcomed them both to the Board.

Director Pocklington moved, Director Lamb seconded, and the motion carried at 91.69% of the vote to adopt Resolution No. 2013-07 honoring Bill Knutson, upon his retirement from the Board of Directors.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Wornham.

Chair Wornham announced that a Water Talks forum was held on February 20, 2013 at the SDG&E/Sempra headquarters, and thanked all who attended. He reported the subject of the forum was regarding fixing the Bay-Delta and the fiscal impact on San Diego ratepayers. He announced approximately 80 people attended the event, and he recognized guest speakers from the event including Council President Pro Tem Sherri Lightner, Barry Nelson of Natural Resources Defense Council (NRDC), and Paul Helliker of the Department of Water Resources (DWR). He added a special thanks to the event co-hosts San Diego Gas & Electric and the San Diego Regional Chamber of Commerce.

Chair Wornham reminded the Board of the upcoming Board Retreat on April 19, 2013. He stated that Board Officers would be seeking input from the Board through the form of surveys which had been sent to all Directors, and advised that further details regarding retreat location and logistics would be provided in March, 2013.

He advised the Board of an upcoming Water Conservation Garden Tour on May 2, 2013 being conducted as a Special Meeting of the Legislation, Conservation and Outreach Committee, and encouraged all Board members to attend. He added that more details would follow.

He reported that presentations had been made at Helix WD and Fallbrook PUD and thanked both agencies for the warm welcome he and General Manager Stapleton had received. He added that the intent was to visit three member agencies per month. He reviewed a variety of events he attended including a presentation given with Assistant General Manager Cushman for the San Diego Regional EDC Executive Committee, the annual San Diego Regional Chamber of Commerce dinner, meetings with Imperial Irrigation District representatives, and a meeting with Director Madaffer and the city management team of CleanTECH San Diego.

8-B Report by Committee Chairs.

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

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

Imported Water Committee. Director Saxod reviewed the meeting and stated no action was taken.

Water Planning Committee. Director Watton reviewed the meeting and stated no action was taken.

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

9. **CONSENT CALENDAR**

Director Dailey moved, Director Barnum seconded, and the motion carried at 91.69% 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. Adopt Supplement to Debt Management Policy – Written procedures to ensure compliance with requirements for Tax Exempt Bonds.
The Board adopted the proposed Supplement to the Debt Management Policy – Written procedures to ensure compliance with requirements for Tax Exempt Bonds.
- 9- 3. Professional services contract with Overland, Pacific & Cutler, Inc. for right of way acquisition as-needed services.
The Board authorized the General Manager to award a three-year, as-needed professional services contract, in an amount not-to-exceed \$200,000 to Overland, Pacific & Cutler Inc., to provide right of way acquisition services for capital improvement and operating projects through fiscal year 2016.
- 9- 4. Professional services contract with SAIC Energy Environment & Infrastructure LLC for as-needed construction management support services for the Carlsbad Desalination Water Conveyance Pipeline project.
The Board authorized the General Manager to approve Amendment No. 2 to the professional services contract with SAIC Energy Environment & Infrastructure LLC, formerly R.W. Beck, for as-needed construction management support services to support the Carlsbad Desalination Water Conveyance Pipeline project, in an amount not-to-exceed \$1.6 million, for a total contract value of \$3.6 million.
- 9- 5. Sponsorship of Direct Potable Reuse Bill in the State Legislature.
The Board requested that the National Water Research Institute convene an expert panel and advisory group to prepare a report on the feasibility of direct potable reuse. In addition, add definitions to the water code for “advanced treated purified water”, “raw water augmentation” and “treated water augmentation.”
- 9- 6. Authorize the General Manager to enter into Grant Agreement with the California Department of Water Resources to accept \$1,066,725 in Water Conservation Program funding.
The Board authorized the General Manager to enter into a two-year agreement with Department of Water Resources for \$1,066,725 in grant assistance.
10. **ACTION/DISCUSSION**
There were no Action/Discussion items.
11. **CLOSED SESSION(S)**
- 11-A **CLOSED SESSION:**
Conference with Labor Negotiator, Government Code §54957.6
Agency Designated Representatives: Frank Belock, Susan Leone

Unrepresented Employees: Executive and Senior Manager Group

11-B CLOSED SESSIONS:

Conference with Legal Counsel – Existing Litigation

Government Code §54956.9(a)

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

Conference with Legal Counsel - Existing Litigation

Government Code §54956.9(a)

Name of Case: State Water Resources Control Board (SWRCB)

Imperial Irrigation District and San Diego County Water Authority

Joint Petition for Modification of Revised Order

WRO 2002-0013(Permit 7643, Application 7482)

11-C CLOSED SESSION:

Conference with Legal Counsel - Existing Litigation

Government Code §54956.9(a)

SDCWA v Metropolitan Water District of Southern California;

Case Nos. CPF-10-510830 and CPF-12-512466

11-D CLOSED SESSION:

Conference with Legal Counsel - Existing Litigation

Government Code §54956.9(a) -

SDCWA v City of Los Angeles Department of Water and Power;

Case No. BS136663

11-E CLOSED SESSION:

Conference with Legal Counsel - Existing Litigation

Government Code §54956.9(a) - SDCWA v Eastern Municipal Water District;

Riverside Superior Court Case No. RIC1300887

Mr. Hentschke took the Board into Closed Session on item 11-B at 3:40 p.m.

Mr. Hentschke brought the Committee out of Closed Session at 3:43 p.m. and stated that there was no reportable action.

12. **ACTION FOLLOWING CLOSED SESSION** – None.

13. **SPECIAL REPORTS**

13-A GENERAL MANAGER'S REPORT – No report was given.

13-B GENERAL COUNSEL'S REPORT – No report was given.

13-C SANDAG REPORT – Chair Wornham reviewed the issues covered at the SANDAG Board Retreat and the committee meeting on Friday, February 22, 2013.

SANDAG BORDERS/REGIONAL PLANNING COMMITTEE – No report was given.

13-D AB 1234 COMPLIANCE REPORTS – No reports were given.

14. **OTHER COMMUNICATIONS** - There were no other communications.

15. **ADJOURNMENT**

There being no further business to come before the Board, Chair Wornham adjourned the meeting at 3:45 p.m.

Thomas V. Wornham, Chair

Michael T. Hogan, Secretary

Doria F. Lore, Clerk of the Board