

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
MAY 23, 2019**

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

Vice Chair Fong-Sakai called the Engineering and Operations Committee meeting to order at 9:01 a.m. Committee members present were Vice Chairs Fong-Sakai and Watkins, and Directors Arant, Hedberg, Heinrichs, Mosca*, Scalzitti, Steiner, and Udrys. Committee members absent were Chair Miller, and Directors Bebee, Murtland, Preciado, Simpson, and Smith. Also present were Directors Ayala, Boyle, Butkiewicz, Cate, Evans, Guerin, Hall, Hogan, Kennedy, Leonard, Lewinger, Saxod, 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 Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, Director of Operations and Maintenance Fisher, Director of Engineering Reed, Deputy Director of Engineering Bousquet, and Senior Engineer Whitaker. Also present was Dr. David Victor, City of San Diego Consultant.

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

Vice Chair Fong-Sakai stated the Water Authority's Engineering department hosted a biannual meeting on May 16, 2019, with a group founded by Metropolitan Water District called CLEAN 17. CLEAN 17 stands for Coalition of Leaders in Engineering, Asset Management, and New Capital Projects and the group was comprised of Engineering Managers from 17 water agencies west of the Rocky Mountains that deliver wholesale water and were similar to the Water Authority in size and breadth. The meeting purpose was to discuss cost effective and efficient ways to deliver Capital Improvement Programs. Topics of the meeting included ways to effectively procure large specialty valves at the lowest cost without compromising quality, effective asset management programs, development of seismic upgrade programs, and implementation of innovation programs. The Water Authority was working with member agencies to arrange a similar local Engineering Manager Forum and would host the first meeting on July 17, 2019.

I. CONSENT CALENDAR

There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATION

1. Pumped Energy Storage White Paper.

Mr. Bousquet provided information on the San Vicente Energy Storage Facility. He introduced Dr. David Victor, City of San Diego Consultant, to review the Pumped Energy Storage white paper written by himself and City/Water Authority staff. Dr. Victor discussed the role of pumped storage in keeping the grid affordable, clean, and reliable, the pivotal role of large-scale energy storage in meeting California's clean energy goals, and what was needed in terms of studies and projects.

* Director Mosca arrived at 9:18 a.m.

2. Design-Build contract with Gracon LLC for the Rancho Peñasquitos Hydroelectric Facility Improvements Project.

Mr. Whitaker presented on the Rancho Peñasquitos Hydroelectric Facility Improvements Project. He began with a condition assessment, continued with design build selection, revenue comparison, and hydroelectric improvements. Mr. Whitaker concluded with the design-build schedule and a review of staffs' recommendation.

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

3. Lake Hodges Operations update.

Mr. Fisher presented an update on Lake Hodges Operations. He reviewed history and facts, areas of concern, restrictions, and operational impacts to the Water Authority, City of San Diego and Districts. He concluded the presentation with a review of next-steps.

III. INFORMATION

There were no Information items.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Engineering and Operations Committee, Vice Chair Fong-Sakai adjourned the meeting at 9:53 a.m.

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

Chair Heinrichs called the Water Planning and Environmental Committee meeting to order at 9:59 a.m. Committee members present were Chair Heinrichs, Vice Chairs Boyle and

Wilson*, and Directors Arant, Ayala, Butkiewicz*, Cate, Hedberg, Hogan, Kennedy, and Lewinger. Committee members absent were Directors Barnum, Bebee, Morrison, and Supervisor Desmond. Also present were Directors Evans, Fong-Sakai, Hall, Hilliker, Katz, Leonard, Mosca, Saxod, Steiner, Udrys, and Watkins. 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 Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, Director of Water Resources Gage, Director of Public Outreach and Conservation Vedder, Water Resources Manager Crutchfield, Principal Water Resources Specialist Stadler, and Water Resources Specialists German and Schnell.

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 Heinrichs welcomed everyone in attendance and announced the San Diego Regional Water Quality Control Board unanimously approved the Lewis Carlsbad Desalination Plant discharge permit for the Intake Modifications Project in a hearing held on May 8, 2019.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Authorization of Professional Services Agreement with Mission Resource Conservation District for WaterSmart Field Services.
Staff recommendation: Authorize the General Manager to execute a three-year professional services agreement with Mission Resource Conservation District in an amount not to exceed \$260,000 for administration of the WaterSmart Field Services Program through June 30, 2022, with an option for a two-year extension.

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

* Director Butkiewicz arrived at 10:03 a.m.

II. ACTION/DISCUSSION/PRESENTATIONS

1. Annual Storage Assessment.

Mr. Crutchfield presented the annual storage assessment report and included information on the management of emergency and carryover storage, as well as the current storage status of each.

* Director Wilson arrived at 10:05 a.m.

2. San Diego Integrated Regional Water Management Program Update.

Mr. Stadler provided an update on the San Diego Integrated Regional Water Management (IRWM) Program and included information on the 2019 IRWM Plan, the Department of Water Resources' Proposition 1 IRWM Grant Program, and the Water Needs Assessment.

3. Update on Water Supply Conditions.

Ms. Schnell provided an update on water supply conditions including Northern Sierra snowpack levels, Lake Oroville and San Luis reservoir storage volumes, an overview of the upper Colorado River basin, and an update on local conditions.

4. Update on San Diego Water Board Permit for the Lewis Carlsbad Desalination Plant Intake Modifications Project.

Mr. Crutchfield provided an update on the permit for the Lewis Carlsbad Desalination Plant Intake Modifications Project that was adopted by the San Diego Water Board on May 8, 2019. He discussed the key provisions of the permit, the transition to stand-alone operations, the stand-alone operations permitting process, as well as the status of other permits.

III. INFORMATION

The following Information item was received and filed:

1. Water Resources report.

IV. CLOSED SESSION

Mr. Hattam took the committee into Closed Session at 10:47 a.m.

1. Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
One Case

Mr. Hattam brought the committee out of Closed Session at 11:07 a.m.

V. ADJOURNMENT

There being no further business to come before the Water Planning and Environmental Committee, Chair Heinrichs adjourned the meeting at 11:08 a.m.

ADMINISTRATIVE AND FINANCE COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Hilliker called the Administrative and Finance Committee meeting to order at 11:15 a.m. Committee members present were Chair Hilliker, Vice Chairs Ayala and Leonard, and Directors Boyle, Cate*, Croucher, Evans, Katz, Murtland*, Saxod, Udrys, Watkins, and Wilson. Committee members absent were Directors Simpson and Smith. Also present were Directors Arant, Barnum, Bebee, Butkiewicz, Cherashore, Fong-Sakai, Guerin, Hall, Hedberg, Heinrichs, Hogan, Kennedy, Lewinger, Madaffer, Masson, Miller, Morrison, Mosca, Preciado, Scalzitti, and Steiner. 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 Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, Director of Administrative Services Foster, Rate and Debt Manager Rossum, Budget and Analysis Manager Whyte, Controller Woidzik, Deputy Director of Engineering Bousquet, and Public Affairs Supervisor Penunuri.

* Director Cate arrived at 11:18 a.m.

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 Hilliker reported that Lisa Marie Harris, Director of Finance/Treasurer was unable to attend the committee meeting as she was attending the graduation of her daughter from University of California Berkeley. He congratulated Ms. Harris and her daughter on the achievement.

He also announced that on May 14, 2019, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Water Authority for its Annual Financial Report (CAFR) for fiscal year ended June 30, 2018. This was the nineteenth consecutive year the Water Authority received the prestigious award.

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 Treasurer's report.

2. Liquidity Facilities Supporting the Water Authority Tax Exempt Commercial Paper Program.
Staff recommendations:
 - a) Adopt Resolution authorizing the issuance and sale of short-term revenue certificates, approving Bank of the West as the liquidity provider for the Series 10 Commercial Paper Notes and authorizing and approving certain actions in connection therewith; and
 - b) Adopt Resolution authorizing the extension of the term of a liquidity agreement with Bank of America, N.A., as the liquidity provider for the Series 9 Commercial Paper Notes program and authorizing and approving certain actions in connection therewith.

Mr. Hattam announced the following public statement:

Consent items I.2(a) and (b), both of which relate to financing issues, are being taken off today's agenda due to new information the Water Authority has received. Our Acting General Manager Sandy Kerl was told on May 21, 2019, by Tom Kennedy, General Manager of Rainbow Municipal Water District, that among other things: (a) Rainbow Municipal Water District and Fallbrook Public Utility District plan to de-annex from the Water Authority; (b) a de-annexation request may be filed with the local LAFCO as early as June or July; and (c) the question of de-annexation may be put to the voters of Rainbow Municipal Water District and Fallbrook Public Utility District in 2020.

The Water Authority has not confirmed or verified any of this information at this time. Some or all of the events we were told about may be subject to, among other things, approvals, conditions and other events and circumstances occurring or not occurring. Therefore, the information we were told about that I am reporting on this morning should not be interpreted as a prediction or representation about future events or financial matters relating to the Water Authority or any other party.

The financing documents that were on the agenda for today will be amended to include the necessary disclosures and will be brought back to the Board for review and approval most likely at a Special Board meeting on June 11th [2019].

Vice Chair Ayala moved, Director Cate seconded, and the motion to approve staffs' recommendation on Item I-1. passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION

1. General Manager's Recommended Budget for Fiscal Years 2020 and 2021.

Ms. Kerl provided a presentation on the recommended budget. The presentation included a review of the budget document, fiscal years 2018 and 2019 accomplishments, factors

impacting the fiscal years 2020 and 2021 budget, budget components, key initiatives, and projects included in the budget. Ms. Kerl ended the presentation with a review of the Budget Schedule which included Special Board Workshops on June 11 and 13, 2019. She announced an action item to consider adoption of the Budget was scheduled for the June 27, 2019 Administrative and Finance Committee meeting.

Directors made comments and asked questions. Director Steiner inquired about the impacts of the planned de-annexation of Rainbow Municipal Water District, and Fallbrook Public Utility District, on the Budget. Ms. Kerl stated any potential de-annexations were unlikely to be concluded during the fiscal year 2020 and 2021 Budget cycle, but if there were an issue it would be brought back mid-budget period for review.

* Director Murtland arrived at 11:52 a.m.

2. Resolution setting a Public Hearing date for Rates and Charges.
Staff recommendation: Adopt Resolution No. 2019-09 setting the time and place for a public hearing on June 27, 2019, 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, 2020.

Mr. Rossum provided a presentation that included a review of Water Authority Cost of Service activities, calendar year 2020 rate and charge drivers, and the results of a preliminary assessment. He announced a Public Hearing adopting the calendar year 2020 rates and charges was scheduled for the June 27, 2019 Administrative and Finance Committee meeting.

Directors Lewinger and Guerin requested more detail on costs, specifically fixed costs.

Vice Chair Ayala moved, Vice Chair Leonard seconded, and the motion to pass staffs' recommendation passed unanimously.

3. Innovation Program Update.

Mr. Bousquet and Ms. Penunuri provided an update on the Innovation Program that included an overview of the program, the Water Authority's culture of innovation, bright ideas program, and external outreach.

Director Udry congratulated staff on accomplishments of the Innovation Program.

III. INFORMATION

The following information items were received and filed:

1. Controller's Report on Monthly Financial Activity.

2. Board Calendar.

IV. CLOSED SESSION

Mr. Hattam took the committee into Closed Session at 12:21 p.m.

1. Conference with the Labor Negotiator
Government Code §54957.6
Agency Designated Representatives: Gretchen Spaniol, Jason Foster, Liana Whyte, Rick Bolanos
Employee Organization: Teamsters Local 911
2. Conference with the Labor Negotiator
Government Code §54957.6
Agency Designated Representatives: Sandra L. Kerl, Gretchen Spaniol
Unrepresented Employees: Executive, Senior Management, and Confidential Groups

Mr. Hattam brought the committee out of Closed Session at 12:32 p.m. and stated there was no reportable action.

V. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Chair Hilliker adjourned the meeting at 12:33 p.m.

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

Chair Lewinger called the Imported Water Committee meeting to order at 1:19 p.m. Committee members present were Chair Lewinger, Vice Chairs Barnum and Cherashore, and Directors Fong-Sakai, Guerin*, Hall, Hogan, Madaffer*, Masson, Morrison, Preciado, Saxod, and Scalzitti. Committee member absent was Director Evans. Also present were Directors Arant, Ayala, Bebee, Butkiewicz, Cate, Heinrichs, Hilliker, Kennedy, Leonard, Miller, Mosca, Murtland, Smith, Steiner, Udrys, Watkins, Wilson Supervisor Desmond, and MWD Delegate Goldberg. 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 Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, MWD Program Director Chen, Colorado River Program Director Rodgers, and Principal Water Resources Specialist Mathews.

ADDITIONS TO AGENDA

Chair Lewinger announced the Closed Session items would be covered first.

PUBLIC COMMENT

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

IV. CLOSED SESSION

Mr. Hattam took the committee into Closed Session at 1:19 p.m.

1. Conference with Legal Counsel – Existing Litigation
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California;
San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; CPF-18-516389; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Nos. S243500; and S251025
2. Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and JCCP 4942
3. Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Food & Water Watch and Center for Food Safety v. Metropolitan Water District of Southern California and All Persons Interested in the Matter; Los Angeles Superior Court Case No. BC 720692

Mr. Hattam brought the committee out of Closed Session at 2:05 p.m. and stated there was no reportable action.

CHAIR'S REPORT

Chair Lewinger gave a brief update on various topics related to the state's Salton Sea Management Program, Drought Contingency Plan, and Governor Newsom's Executive Order.

* Director Madaffer arrived at 2:10 p.m.

DIRECTORS' COMMENTS

Vice Chair Croucher announced Director Lewinger would be added to the Colorado River Work Group Committee.

I. CONSENT CALENDAR

There were no Consent Calendar items.

* Director Guerin arrived at 2:18 p.m.

II. ACTION/DISCUSSION/PRESENTATION

1. MWD Issues and Activities Update.
1-A Metropolitan Water District Delegates Report.

The Delegates reported on discussion and action taken at recent MWD Board meetings, including Ms. Goldberg's report on her impression of MWD Board's general lack of understanding of fiduciary duties toward bond disclosure and her effort to raise awareness.

2. Colorado River Programs.
2-A Colorado River Board Representative's report.

Director Wilson reported on discussion and action taken at the recent Colorado River Board meeting.

- 2-B Colorado River Hydrology update.

Ms. Mathews presented an update on Colorado River hydrology. Her presentation included a review of drought on the Colorado River basin, the finalized Drought Contingency Plan, how changes could impact operations, current storage levels, projected reservoir operations, shortage projections, and key points.

Staff responded to questions and comments posed by the Board.

III. INFORMATION

The following Information item was received and filed:

1. Metropolitan Water District Program Report.

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Chair Lewinger adjourned the meeting at 2:25 p.m.

LEGISLATION AND PUBLIC OUTREACH COMMITTEE CALL TO ORDER/ROLL CALL

Chair Butkiewicz called the Legislation and Public Outreach Committee to order at 2:33 p.m. Committee members present were Chair Butkiewicz, Vice Chairs Hall and Katz, and Directors Cherashore, Croucher, Guerin, Hilliker, Kennedy, Leonard, Madaffer, Masson, Mosca, Steiner and Supervisor Desmond. Committee member absent was Director Miller. Also present were Directors Arant, Ayala, Barnum, Cate, Evans, Fong-Sakai, Hedberg, Heinrichs, Hogan, Morrison, Murtland, Preciado, Saxod, Scalzitti, Udrys, Watkins, 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 Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, Director of Public Outreach and Conservation Vedder, Government Relations Manager Farrel, and Public Affairs Supervisor Lee.

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 Butkiewicz informed the Board of the Governor's recent Executive Order which emphasized local and regional water supply development, flood protection, and healthy waterways for the state.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Adopt positions on various state bills.

Staff recommendations:

- 1-A Adopt a position of Support on AB 841 (Ting), relating to drinking water contaminants.
- 1-B Adopt a position of Oppose on AB 854 (Mayes), relating to Imperial Irrigation District board membership.
- 1-C Adopt a position of Support on AJR 8 (Quirk), relating to eradication and control of nutria.
- 1-D Adopt a position of Oppose Unless Amended on SB 332 (Hertzberg), relating to limitations on discharge of treated wastewater through ocean outfalls.
- 1-E Adopt a position of Support on H.R. 2313 (Huffman), relating to income tax exclusion for water conservation rebates.

Director Steiner moved, Director Mosca seconded, and the motion to approve staffs' recommendations passed unanimously.

2. Amendment to Professional Services Contract with Building Blocks Entertainment, Inc., to conduct assembly programs for elementary public and private schools in San Diego County.
Staff recommendation: Approve an amendment to the professional services contract with Building Blocks Entertainment, Inc., to increase the contract value to a not-to-exceed amount of \$200,000 and to extend the contract for two years. The amended contract would terminate on June 30, 2021, at which time the Water Authority would seek bids on a new two-year contract.

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

II. ACTION/DISCUSSION/PRESENTATION

1. Legislative issues.
 - 1-A Washington report by Ken Carpi.
 - 1-B Sacramento Report.

Mr. Farrel provided a Sacramento report which included an update on status of Water Authority Sponsored bills, the Governor's Executive Order and other key measures.

2. Quarterly Water Conservation Garden report.

Item II-2. was continued to the June 27, 2019 board meeting.

3. Update on Brought to You by Water activities.

Mr. Lee provided the Board with a review of the Brought to You by Water campaign outreach activities and the next phase in the San Diego region.

III. INFORMATION

The following Information item was received and filed:

1. Government Relations Update.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Legislation and Public Outreach Committee, Chair Butkiewicz adjourned the meeting at 3:10 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF MAY 23, 2019

1. CALL TO ORDER Chair Madaffer called the Formal Board of Directors' meeting to order at 3:22 p.m.

2. **SALUTE TO THE FLAG** Director Mosca led the salute to the flag.
3. **ROLL CALL, DETERMINATION OF QUORUM**
Secretary Guerin called the roll. Directors present were Arant, Ayala, Barnum, Butkiewicz, Cate, Cherashore, Croucher, Evans, Fong-Sakai, Guerin, Hall, Heinrichs, Hilliker, Hogan, Katz, Leonard, Lewinger, Madaffer, Masson, Morrison, Mosca, Murtland, Preciado, Saxod, Scalzitti, Steiner, Udrys, Watkins, Wilson, and Supervisor Desmond. Directors absent were Bebee, Boyle, Hedberg, Kennedy, Miller, Simpson, and Smith.

3-A **Report on proxies received.** No proxies were received.
4. **ADDITIONS TO AGENDA**
There were no additions to the agenda.
5. **APPROVAL OF MINUTES**
Director Saxod moved, Director Lewinger seconded, and the motion carried at 79.15% of the vote to approve the minutes of the Special Imported Water Committee meeting of April 11, 2019 and Formal Board of Directors' meeting of April 25, 2019.
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 & PUBLIC HEARINGS**
There were no presentations or Public Hearings.
8. **REPORTS BY CHAIRS**
8-A **Chairs report:** Chair Madaffer welcomed Secretary Guerin back following a brief absence.

Chair Madaffer acknowledged efforts of Acting General Manager Kerl and staff which resulted in rate-payer savings of over half a billion dollars for the region. The savings were achieved by obtaining approval of the Carlsbad Desalination Intake permits. He also thanked Senator Atkins and Representatives from the Governor's Office for support.

He stated that settlement discussions with MWD continued to move forward in a positive direction. He also reminded the Board of two upcoming Budget Workshops scheduled for June 11, and 13, 2019 at 1:30 p.m. He announced that the June 11, 2019 Workshop would be noticed as a Special Board Meeting, and asked Board Members who couldn't attend to notify Clerk of the Board Nelson.

Chair Madaffer concluded his report with an announcement that the 75th Anniversary of the Water Authority would be celebrated at the June 27, 2019 Formal Board of Directors Meeting.

- 8-B Report by Committee Chairs:
Engineering and Operations Committee. Director Fong-Sakai reviewed the meeting and the action taken.
Water Planning and Environmental Committee. Director Heinrichs reviewed the meeting and the action taken.
Administrative and Finance Committee. Director Hilliker reviewed the meeting and the action taken.
Imported Water Committee. Director Lewinger reviewed the meeting and stated no action was taken.
Legislation and Public Outreach Committee. Director Butkiewicz reviewed the meeting and the action taken.

9. **CONSENT CALENDAR**

Director Evans moved, Director Butkiewicz seconded, and the motion carried at 79.15% of the vote to approve the Consent Calendar. Directors voting no, or abstaining are listed under the item.

- 9- 1. Design-Build contract with Gracon LLC for the Rancho Peñasquitos Hydroelectric Facility Improvements Project.
The Board authorized the General Manager to award a design-build contract to Gracon LLC in the amount of \$4,280,000 for the Rancho Peñasquitos Hydroelectric Facility Improvements project.
- 9- 2. Authorization of Professional Services Agreement with Mission Resource Conservation District for WaterSmart Field Services.
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 \$260,000 for administration of the WaterSmart Field Services Program through June 30, 2022, with an option for a two-year extension.
- 9- 3. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
- 9- 4. Resolution setting a Public Hearing date for Rates and Charges.
The Board adopted Resolution No. 2019-09 setting the time and place for a public hearing on June 27, 2019, 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, 2020.

- 9- 5. Adopt positions on various state bills.
The Board adopted the following positions: Support on AB 841 (Ting), relating to drinking water contaminants; Oppose on AB 854 (Mayes), relating to Imperial Irrigation District board membership; Support on AJR 8 (Quirk), relating to eradication and control of nutria; Oppose Unless Amended on SB 332 (Hertzberg), relating to limitations on discharge of treated wastewater through ocean outfalls; and Support on H.R. 2313 (Huffman), relating to income tax exclusion for water conservation rebates.
- 9- 6. Amendment to Professional Services Contract with Building Blocks Entertainment, Inc., to conduct assembly programs for elementary public and private schools in San Diego County.
Approve an amendment to the professional services contract with Building Blocks Entertainment, Inc., to increase the contract value to a not-to-exceed amount of \$200,000 and to extend the contract for two years. The amended contract would terminate on June 30, 2021, at which time the Water Authority would seek bids on a new two-year contract.
10. **ACTION/DISCUSSION**
10-A General Manager recruitment update. – Chair Madaffer provided an update on the General Manager recruitment process and answered questions from the Board.
11. **SPECIAL REPORTS**
11-A ACTING GENERAL MANAGER’S REPORT – Ms. Kerl stated she had nothing further to report.
11-B GENERAL COUNSEL’S REPORT – Mr. Hattam stated he had nothing further to report.
11-C SANDAG REPORT – Director Morrison reported on the April 26, 2019 meeting and announced the next meeting was scheduled for May 24, 2019.
SANDAG Subcommittees:
Borders Committee – Director Saxod reported on the April 26, 2019 meeting and announced the next meeting was scheduled for May 24, 2019.
Regional Planning Committee – Director Leonard stated he had nothing to report.
11-D AB 1234 Compliance Reports – Vice Chair Croucher reported on his attendance at the EDC Event on May 2, 2019, with the Board Officers.
12. **CLOSED SESSION(S)**
Mr. Hattam took the Board into Closed Session on item 12-G at 3:38 p.m.
Mr. Hattam recused himself and left the room.

- 12-A Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
One Case

- 12-B Conference with the Labor Negotiator
Government Code §54957.6
Agency Designated Representatives: Gretchen Spaniol, Jason Foster, Liana Whyte, Rick Bolanos
Employee Organization: Teamsters Local 911

- 12-C Conference with the Labor Negotiator
Government Code §54957.6
Agency Designated Representatives: Sandra L. Kerl, Gretchen Spaniol
Unrepresented Employees: Executive, Senior Management, and Confidential Groups

- 12-D Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; CPF-18-516389; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Case Nos. S243500; and S251025

- 12-E Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and JCCP 4942

- 12-F Conference with Legal Counsel – Existing Litigation
Government Code §§54956.9(d)(1)
Food & Water Watch and Center for Food Safety v. Metropolitan Water District of Southern California and All Persons Interested in the Matter; Los Angeles Superior Court Case No. BC 720692

- 12-G Public Employee Performance Evaluation
Government Code §54957 - Title: General Counsel
Conference with Labor Negotiators, Government Code §54957.6
Designated Board Representatives: Chair, Vice-Chair, Secretary
Unrepresented Employee: General Counsel

13. **ACTION FOLLOWING CLOSED SESSION**

Chair Madaffer brought the Board out of Closed Session at 3:41 p.m. and stated that the Water Authority's review of the General Counsel had been completed and the Officers recommended that the Board Chair be authorized to sign a contract amendment with the General Counsel to receive the same 3.06% cost-of-living increase other employees received last year, retroactive to March 14, 2019, with the General Counsel's contract being extended through June 30, 2020, at \$265,380 per year.

Director Scalzitti moved, Director Hogan seconded, and the motion carried at 79.15%.

14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**

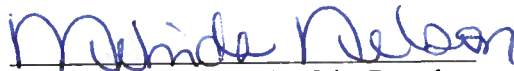
There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 3:42 p.m.



Jim Madaffer, Chair



Christy Guerin, Secretary



Melinda Nelson, Clerk of the Board