

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
AUGUST 22, 2019**

ADMINISTRATIVE AND FINANCE COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Hilliker called the Administrative and Finance Committee meeting to order at 9:05 a.m. Committee members present were Chair Hilliker, Vice Chairs Ayala and Leonard, and Directors Cate*, Evans, Katz, Murtland, Saxod, Smith, Watkins, and Wilson. Committee members absent were Directors Boyle, Croucher, Simpson, and Udrys. Also present were Directors Arant, Barnum, Butkiewicz, Fong-Sakai, Guerin, Hall, Heinrichs, Hogan, Kennedy, Miller, Mosca, 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 Finance/Treasurer Harris, Director of Administrative Services Foster, Director of Engineering Reed, Budget and Treasury Manager Whyte, and Controller Woidzik.

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

As Chair of the Fiscal Sustainability Task Force, Chair Hilliker announced the kick-off meeting of the group occurred on August 8, 2019. He stated the task force included Director Arant as Vice Chair, and members were Directors Cate, Hogan, and Wilson. Also on the task force were Carlos Lugo, Kim Thorner, Mark Watton, and Matt Vespi. Chair Hilliker announced that beginning in September 2019, the task force would provide monthly report outs to the Administrative and Finance Committee and to Member Agency Managers to ensure a transparent process.

Chair Hilliker reviewed topics of the August 8, 2019 meeting: study integration and fiscal sustainability task force timeline, rate setting principles and development, financial metrics, drafting of initial principles and future items, and development of the future meeting schedule.

In closing, Chair Hilliker stated the task force would meet twice a month on each open Friday at the Water Authority and the next meeting was scheduled for August 30, 2019.

DIRECTORS' COMMENTS

Director Arant, Vice Chair of the Fiscal Sustainability Task Force, added that the August 8, 2019 meeting was highly productive, and the group was focused on identifying solutions on how the Water Authority would move forward in a changing world.

I. CONSENT CALENDAR

1. Monthly Treasurer's Report on Investments and Cash Flow.
Staff recommendation: Note and file the Treasurer's report.
2. Resolution establishing amount due from the City of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2020.
Staff recommendation: Adopt Resolution No. 2019-16 establishing an amount due of \$2,502,835.15 from the City of San Diego for the In-Lieu Charge for Fiscal Year 2020.

Vice Chair Ayala moved, Director Evans seconded, and the motion to approve staffs' recommendations passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION

1. Annual Report on the 2019-2023 Business Plan performance.

Ms. Kerl provided a presentation that included the Business Plan history, an overview of the current 2019-2023 iteration of the Plan and its programs, management strategies, key focus areas, objectives, and key performance indicators.

Ms. Kerl stated the Business Plan had 15 years of proven success with 538 goals completed since 2004. In 2012 it was awarded the International City/County Management Association's Certificate of Achievement for Performance Measurement in Strategic Planning.

Ms. Kerl stated the 2019-2023 Business Plan and annual performance report are available on the Water Authority website at www.sdcwa.org/mission-vision-values-strategies.

Directors asked questions and staff provided answers.

* Director Cate arrived at 9:24 a.m.

III. INFORMATION

The following information items were received and filed:

1. Report on Water Authority Memberships.
2. Report on Current Water Standby Availability Deferrals.
3. Controller's Report on Monthly Financial Activity.
4. Board Calendar.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Chair Hilliker adjourned the meeting at 9:31 a.m.

LEGISLATION AND PUBLIC OUTREACH COMMITTEE

CALL TO ORDER/ROLL CALL

Chair Butkiewicz called the Legislation and Public Outreach Committee to order at 9:40 a.m. Committee members present were Chair Butkiewicz, Vice Chairs Hall and Katz, and Directors Guerin, Hilliker, Kennedy, Leonard, Miller, Mosca, and Steiner. Committee members absent were Directors Cherashore, Croucher, Madaffer, Masson, and Supervisor Desmond. Also present were Directors Arant, Ayala, Barnum, Bebee, Cate, Evans, Fong-Sakai, Heinrichs, Hogan, Murtland, Saxod, Scalzitti, Smith, 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, Director of Administrative Services Foster, Government Relations Manager Farrel, Public Affairs Supervisors Lee and Penunuri, Senior Public Affairs Representative Joyce, and Public Affairs Representative Balben. Also present was legislative representative Ken Carpi.

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 that some Board members would be meeting with Congressman Mike Levin on September 5, 2019 to provide him with a briefing on the Water Authority's southwestern portfolio program and vision, and to provide updates on the San Diego regions water related priorities. He announced that Chair Madaffer, Ms. Kerl, Mr. Denham and himself would attend the San Diego Regional Chamber of Commerce's annual visit to Washington, DC on September 22-25, 2019 to discuss water related issues.

Mr. Foster provided an update on member agency engagement outreach efforts being conducted by staff.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATION

1. Legislative issues.

1-A Washington report by Ken Carpi.

Mr. Carpi provided a Washington report which included updates related to issues of interest of the Water Authority.

1-B Sacramento report.

Mr. Farrel provided a Sacramento report which included an update on the status of Water Authority Sponsored bills and bond measures, and the state legislature sessions.

2. Water News Network Update.

Mr. Lee and Mr. Joyce presented an update of the Water News Network, activities and growth, member agency highlights, and social media activities.

III. INFORMATION

The following Information item was received and filed:

1. Government Relations Update.

2. Small Contractor Outreach and Opportunities Program (SCOOP) Annual Report.

Ms. Penunuri and Mr. Balben presented the 2019 SCOOP annual report, which included outreach activities, business highlights, and SCOOP participation trends.

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 10:34 a.m.

IMPORTED WATER COMMITTEE
CALL TO ORDER / ROLL CALL

Vice Chair Barnum called the Imported Water Committee meeting to order at 10:45 a.m. Committee members present were Vice Chair Barnum, and Directors Evans, Fong-Sakai, Guerin, Hall, Hogan, Saxod, and Scalzitti. Committee members absent were Chair Lewinger, Vice Chair Cherashore, and Directors Madaffer, Masson, Morrison, and Preciado. Also present were Directors Arant, Bebee, Boyle, Butkiewicz, Cate, Croucher, Heinrichs, Katz, Kennedy, Leonard, Miller, Mosca, Murtland, Smith, Steiner, 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, MWD Program Director Chen, Colorado River Program Director Rodgers, Principal Water Resources Specialist Mathews, QSA Outreach Coordinator Simon, and Senior Water Resources Specialist Mendelson-Goossens.

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 Barnum did not give a report due to time.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no Consent Calendar items.

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.

- 1-B Metropolitan Water District's Emergency Storage Update.

Ms. Mendelson-Goossens presented on Metropolitan Water District's updated emergency storage objective, reasons for the change, member agencies' input, new "envelope" approach to setting objective, and next steps.

Staff responded to questions and comments posed by the Board.

2. Colorado River Programs.
 - 2-A State Salton Sea Management Program Update.

Mr. Simon presented an update on the Salton Sea Management Program (SSMP) explaining background, identified issues from March 12, 2019 workshop, an update from the June 18, 2019 workshop, and next steps.

Staff responded to questions and comments posed by the Board.

2-B Colorado River Hydrology and Operations Update.

Ms. Mathews presented an update on the Colorado River hydrology and operations starting with the drought in the Colorado River basin, Drought Contingency Plan (DCP) changes to the Lake Mead storage program, Lake Mead elevation triggers, storage, hydrology and operations, five-year shortage projections, DCP contributions for 2020, and key points.

III. INFORMATION

The following Information item was received and filed:

1. Metropolitan Water District Program Report.

IV. CLOSED SESSION

Mr. Hattam took the committee into Closed Session at 11:26 a.m.

1. 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)
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; California Court of Appeal (2nd District) Case No. B297553

Mr. Hattam brought the committee out of Closed Session at 11:52 a.m. and stated there was no reportable action.

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Vice Chair Barnum adjourned the meeting at 11:53 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 1:00 p.m. Committee members present were Chair Heinrichs, Vice Chair Wilson and Directors Arant, Ayala, Barnum, Bebee, Butkiewicz, Cate, Hogan, Kennedy, and Morrison*.

Committee members absent were Vice Chair Boyle, and Directors Hedberg, Lewinger, and Supervisor Desmond. Also present were Directors Evans, Fong-Sakai, Hall, Hilliker, Katz, Leonard, Miller, Mosca, Murtland, Preciado, Saxod, Scalzitti, Simpson, Steiner, 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 Specialists Dobalian and Michelin, Senior Water Resources Specialist Rubalcava, and Water Resources Specialist Vierola.

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 that on July 17, 2019, the emergency connection between the United States and Mexico near the Otay Mesa Port of Entry was opened and emergency water deliveries to Tijuana began for calendar year 2019. He also recognized the Water Authority's Qualified Water Efficient Landscaper Program, which reached a major milestone with more than 1,000 landscape industry professionals to date trained in sustainable landscape practices. Lastly, Chair Heinrichs provided an update on the Water Authority's contributions to the state's Water Resilience Portfolio Initiative.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATIONS

1. Authorization of Professional Services Agreement with WaterWise Consulting, Inc. to administer the WaterSmart Landscape Contractor Incentive Program.
Staff recommendation: Authorize the General Manager to execute a three-year professional services agreement with an option for a two-year extension with WaterWise Consulting for the administration of the WaterSmart Contractor Incentive Program in an amount not to exceed \$760,820.

Mr. Michelin provided a presentation that began with background information regarding Metropolitan Water District's reinstatement of the Water Authority's eligibility for

the Member Agency Administered Program. He then gave an overview of the WaterSmart Contractor Incentive Program and provided a breakdown of the program's budget.

* Director Morrison arrived at 1:07 p.m.

Staff responded to questions posed by Director Kennedy.

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

2. Developing Water Reuse Actions Plans on the Federal and State Level.

Ms. Dobalian provided a presentation that reviewed two recycled water action plans: the California Water Reuse Action Plan, and the National Water Reuse Action Plan. She discussed the four focus areas and planned outreach for California's plan, and the input into and next steps for the national plan.

Staff responded to questions and comments posed by Directors Hogan and Bebee.

3. Update to 2014 Climate Action Plan.

Mr. Rubalcava provided a presentation on the update to the 2014 Climate Action Plan (CAP). He gave an overview of the first CAP, discussed what was required of the Water Authority by Assembly Bill 32 and the California Environmental Quality Act, and explained how the Water Authority set greenhouse gas emission targets. Mr. Rubalcava also discussed new state regulations and detailed next steps to come.

Staff responded to questions posed by Director Arant.

III. INFORMATION

The following Information item was received and filed:

1. Water Resources report.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Water Planning and Environmental Committee, Chair Heinrichs adjourned the meeting at 1:30 p.m.

ENGINEERING AND OPERATIONS COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Miller called the Engineering and Operations Committee meeting to order at 1:37 p.m. Committee members present were Chair Miller, Vice Chairs Fong-Sakai and Watkins, and

Directors Arant, Bebee, Heinrichs, Mosca, Murtland, Preciado, Scalzitti*, Simpson, Smith, and Steiner. Committee members absent were Directors Hedberg and Udrys. Also present were Directors Ayala, Barnum, Butkiewicz, Croucher, Evans, Guerin, Hall, Hilliker, Hogan, Katz, Leonard, and Morrison. 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, Principal Engineer Fountain, Senior Engineer Kemper and Senior Right of Way Agent Von Gymnich.

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 Miller reminded the Committee that staff had applied to the direct access program for the Water Authority facilities and the Carlsbad Desalination Plant separately. He announced that staff had been notified that the Water Authority's facilities were number 257 on the waitlist, and the Carlsbad Desalination Plant was number 330. As a result, participation in the direct access program in 2019 was not anticipated. Staff would provide an update on the item, and the status of other key energy program initiatives, at the September 26, 2019 meeting.

Chair Miller stated that the Board was invited to attend the Engineering & Operations Committee tour on September 12, 2019 that would include a tour of two projects in construction, and one project in operation. The projects in construction would include the Northern First Aqueduct Rehabilitation project, and the Vallecitos Water District 11 / Vista Irrigation District 12 Flow Control Facility project. He added the tour would also include the Lake Hodges Pumped Storage Facility which was in operation. RSVP's were due September 4, 2019.

I. CONSENT CALENDAR

1. Professional services contract with Boston National Title Company of California for as-needed real estate title services.
Staff recommendation: Authorize the General Manager to award a professional services contract to Boston National Title Company of California (BNT) for

\$200,000 for as-needed real estate title services for a period of three years with an option to extend two additional years.

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

II. ACTION/DISCUSSION/PRESENTATION

1. Professional services contracts with Kleinfelder, Inc., Beyaz & Patel, Inc., and Kennedy/Jenks Consultants, Inc. for professional structural engineering services, as-needed.

Staff recommendation: Authorize the General Manager to award professional services contracts to Kleinfelder, Inc. for \$350,000; Beyaz & Patel, Inc. for \$350,000; and Kennedy/Jenks Consultants, Inc. for \$300,000 for professional structural engineering services, as-needed, for a period of three years with an option to extend two additional years.

Mr. Kemper presented on as-needed contracts for professional structural engineering services. He began with the number of projects anticipated over the next five years that would require licensed Structural Engineers. He continued with an explanation of the request for proposal process and consultant selection and concluded with a review of the staff recommendation.

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

2. Advertisement for bids for the Mission Trails Flow Regulatory Structure II and Flow Control Facility project.

Mr. Fountain presented on the Mission Trails Flow Regulatory Structure II and Flow Control Facility project. His presentation included a project overview, budget history, budget update, construction cost estimate, construction cost mitigation, community outreach review, and project schedule.

3. Continuation of emergency declaration for the repair of the Pipeline 4 in MoosCanyon.

Staff recommendation: Authorize the continuation of the emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

Mr. Fisher provided a presentation on the Pipeline 4 leak in Moosa Canyon that included a map of the leak location, actions to date and future actions, and a review of the staff recommendation to continue the emergency declaration.

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

* Director Scalzitti arrived at 2:05 p.m.

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, Chair Miller adjourned the meeting at 2:11 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF AUGUST 22, 2019

1. **CALL TO ORDER** Vice Chair Croucher called the Formal Board of Directors' meeting to order at 2:30 p.m.

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

3. **ROLL CALL, DETERMINATION OF QUORUM**

Secretary Guerin called the roll. Directors present were Arant, Ayala, Barnum, Bebee, Butkiewicz, Cate, Croucher, Evans, Fong-Sakai, Guerin, Hall, Heinrichs, Hilliker, Hogan, Katz, Kennedy, Leonard, Miller, Morrison, Mosca, Murtland, Preciado, Saxod, Scalzitti, Simpson, Smith, Steiner, Watkins, and Wilson. Directors absent were Boyle, Cherashore, Hedberg(p), Lewinger(p), Madaffer, Masson, Udrys, Watkins, and Supervisor Desmond.

3-A **Report on proxies received.** Director Scalzitti was the proxy for Director Hedberg, and Director Hall was the proxy for Director Lewinger.

4. **ADDITIONS TO AGENDA**

There were no additions to the agenda.

5. **APPROVAL OF MINUTES**

Director Cate moved, Director Barnum seconded, and the motion carried at 91.31% of the vote to approve the minutes of the Formal Board of Directors' meeting of July 25, 2019.

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

There were two members of the public who wished to speak. Mr. Jack Bebee, Fallbrook PUD General Manager; and Mr. Tom Kennedy, Rainbow MWD General Manager, each spoke to the Board regarding the potential de-annexation of the agencies from the Water Authority.

7. **PRESENTATIONS & PUBLIC HEARINGS**

7-A Recognition of Bobby Bond, Senior Maintenance Technician, Employee of the 4th Quarter.

Vice Chair Croucher and Acting General Manager Kerl introduced Mr. Bond and congratulated him on being named the employee of the 4th quarter.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Vice Chair Croucher provided a brief update on the potential de-annexation issue with Fallbrook PUD and Rainbow MWD. He stated that a meeting took place on July 30, 2019 that included Board Officers, Acting General Manager Kerl, and the General Managers and General Counsels from Rainbow MWD and Fallbrook PUD. He stated that at the conclusion of the meeting Rainbow and Fallbrook made a commitment to return to the Water Authority with a proposal. He stated that another meeting would be scheduled after the proposal was received.

8-B Report by Committee Chairs:

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

Legislation and Public Outreach Committee. Director Butkiewicz reviewed the meeting and stated that no action was taken.

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

Water Planning and Environmental Committee. Director Heinrichs reviewed the meeting and the action taken.

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

9. **CONSENT CALENDAR**

Director Ayala moved, Director Evans seconded, and the motion carried at 91.31% of the vote to approve the Consent Calendar. Directors voting no, or abstaining are listed under the item.

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

9- 2. Resolution establishing amount due from the City of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2020.
The Board adopted Resolution No. 2019-16 establishing an amount due of \$2,502,835.15 from the City of San Diego for the In-Lieu charge for Fiscal Year 2020.

Director Kennedy Abstained. The motion carried at 87.32%

- 9- 3. Authorization of Professional Services Agreement with WaterWise Consulting, Inc. to administer the WaterSmart Landscape Contractor Incentive Program.
The Board authorized the General Manager to execute a three-year professional services agreement with an option for a two-year extension with WaterWise Consulting for the administration of the WaterSmart Contractor Incentive Program in an amount not to exceed \$760,820.

Director Kennedy Abstained. The motion carried at 87.32%

- 9- 4. Professional services contract with Boston National Title Company of California for as-needed real estate title services.
The Board authorized the General Manager to award a professional services contract to Boston National Title Company of California (BNT) for \$200,000 for as-needed real estate title services for a period of three years with an option to extend two additional years.

Director Kennedy Abstained. The motion carried at 87.32%

- 9- 5. Professional services contracts with Kleinfelder, Inc., Beyaz & Patel, Inc., and Kennedy/Jenks Consultants, Inc. for professional structural engineering services, as-needed.
The Board authorized the General Manager to award professional services contracts to Kleinfelder, Inc. for \$350,000; Beyaz & Patel, Inc. for \$350,000; and Kennedy/Jenks Consultants, Inc. for \$300,000 for professional structural engineering services, as-needed, for a period of three years with an option to extend two additional years.

Director Kennedy Abstained. The motion carried at 87.32%

- 9- 6. Continuation of emergency declaration for the repair of the Pipeline 4 in Moosa Canyon.
The Board authorized the continuation of the emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

10. **ACTION/DISCUSSION**

- 10-A Changes to the Capital Improvement Program to Accommodate Two Member Agency's Exploration of Potential De-Annexation from the Water Authority.
Staff recommendation: Direct the General Manager to defer work activities on a portion of the Emergency Storage Program - North County Pump Stations project for Rainbow Municipal Water District and Fallbrook Public Utilities District and the Fallbrook 7/Rainbow 14 Flow Control Facility project until Board directs otherwise, when we know the results of those two agency's exploration of potential de-annexation from the Water Authority.

Director of Engineering Reed provided a presentation on changes to the CIP program to accommodate the potential de-annexation of Fallbrook and Rainbow from the Water Authority, including a review of the staff recommendation to defer work activities on a portion of the Emergency Storage Program.

Directors asked questions and staff provided answers.

Director Heinrichs moved, Director Ayala seconded, and the motion to approve staffs' recommendation passed at 89.01%

Director Bebee Abstained.

10-B General Manager recruitment update. – Vice Chair Croucher provided an update on the recruitment process. He stated the application period would close August 30, 2019 and added that over 22 applications had been received.

Director Bebee asked about the involvement of committees and public input in the recruitment process.

Vice Chair Croucher introduced Acting Human Resources Director Kite who provided a brief update on the process and next-steps. Ms. Kite reported that part of the final interview process would include community panels with the final hiring decision being made by the Task Force and Board of Directors.

Vice Chair Croucher stated that another update would be provided at the September 26, 2019 meeting.

Director Steiner requested that if the applicant pool was not adequate at the time the application period closed, would the Board have the option to extend the application period to allow for more outreach. Ms. Kite stated that the consultant would review applicant numbers closer to the deadline and provide a recommendation to the task force if an extension of the application period was warranted.

Directors asked questions and made comments and Ms. Kite provided answers.

Vice Chair Croucher reminded the Board that they can submit questions and concerns to any member of the Task Force.

11. **SPECIAL REPORTS**

11-A ACTING GENERAL MANAGER'S REPORT – Ms. Kerl reminded the Board that there was no Special Board meeting scheduled in September. She stated that the Engineering and Operations tour would be held September 12, 2019 and to RSVP to Clerk of the Board Nelson.

- 11-B GENERAL COUNSEL'S REPORT – Mr. Hattam stated he had nothing further to report.
- 11-C SANDAG REPORT – Director Morrison stated the meeting was cancelled.
SANDAG Subcommittees:
Borders Committee – Director Saxod stated the meeting was cancelled.
Regional Planning Committee – Director Leonard stated the meeting was cancelled.
- 11-D AB 1234 Compliance Reports – No reports were given.

12. **CLOSED SESSION(S)**

Mr. Hattam took the Board into Closed Session on item 12-C at 3:07 p.m.

- 12-A 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-B 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; California Court of Appeal (2nd District) Case No. B297553
- 12-C Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
Risk of Litigation

13. **ACTION FOLLOWING CLOSED SESSION**

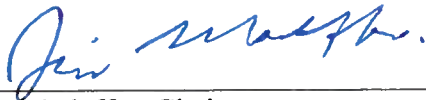
Mr. Hattam brought the Board out of Closed Session at 4:59 p.m. and announced that the Board of Directors authorized General Counsel to sign a legal services contract with Lewis Brisbois Bisgaard & Smith, LLP, with a maximum cap of \$1 million without further Board approval.

Director Leonard Opposed.

14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**

There being no further business to come before the Board, Vice Chair Croucher adjourned the meeting at 5:00 p.m.



Jim Madaffer, Chair



Christy Guerin, Secretary



Melinda Nelson, Clerk of the Board