

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING  
OCTOBER 24, 2019**

**WATER PLANNING AND ENVIRONMENTAL COMMITTEE**

**CALL TO ORDER/ROLL CALL**

Chair Heinrichs called the Water Planning and Environmental Committee meeting to order at 9:01 a.m. Committee members present were Chair Heinrichs, Vice Chairs Boyle and Wilson, and Directors Ayala, Bebee, Cate, Hedberg, Hogan, and Lewinger. Committee members absent were Directors Arant, Barnum, Butkiewicz, Kennedy, Morrison, and Supervisor Desmond. Also present were Directors Evans, Fong-Sakai, Hilliker, Katz, Leonard, Masson, Miller, Mosca, Murtland, Saxod, Smith, 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, and Senior Water Resources Specialist Herbon.

**ADDITIONS TO THE AGENDA**

There were no additions to the agenda.

**PUBLIC COMMENT**

Ms. Chunn-Heer, and Mr. Vespi, requested to address the Board later in the committee meeting, during discussion on their items of interest.

**CHAIR'S REPORT**

Chair Heinrichs welcomed everyone in attendance.

**DIRECTORS' COMMENTS**

There were no Directors' comments.

**I. CONSENT CALENDAR**

There were no Consent Calendar items.

**II. ACTION/DISCUSSION/PRESENTATIONS**

Chair Heinrichs took the Agenda out of order.

2. Claude "Bud" Lewis Carlsbad Desalination Plant Water Purchase Agreement Contract Administration Memorandum Regarding Second Phase of Intake and Discharge System Modifications.

Staff recommendation: Authorize the General Manager to execute a Water Purchase Agreement Contract Administration Memorandum (CAM) between the Water Authority and Poseidon Resources (Channelside) LP for the Second Phase

of Intake and Discharge System Modifications at the Lewis Carlsbad Desalination Plant.

Mr. Crutchfield provided a presentation that discussed status of plant operations, transition to stand-alone operations, current/temporary stand-alone operations, interim operations, permanent operations, phasing schedule, interim modifications, and cap provisions in the Water Purchase Agreement. He also provided an overview of the five key areas of the interim operations period (risk transfer, duration, capital and operating costs, Poseidon financing, and unit price adjustment), and outlined next steps.

Ms. Chunn-Heer addressed the Board regarding the Claude “Bud” Lewis Carlsbad Desalination Plant Proposed Change in Ownership.

Staff responded to comments and questions posed by Directors Arant, Bebee, Smith, Steiner, and Watkins.

Director Arant moved, Vice Chair Boyle seconded, and the motion to approve staffs’ recommendation passed unanimously.

1. Claude “Bud” Lewis Carlsbad Desalination Plant Proposed Change in Ownership.  
Staff recommendation: Authorize the General Manager to provide written consent for the proposed sale and change in ownership of the Carlsbad Desalination Plant from Orion Water Partners LLC to Aberdeen Standard Investments.

Mr. Crutchfield provided a presentation that included an overview of the Water Purchase Agreement process and a summary of the sale and purchase transaction.

Staff responded to question posed by Director Wilson.

Director Arant moved, Director Wilson seconded, and the motion to approve staffs’ recommendation passed unanimously.

3. Local Resources Program agreement for the Oceanside Pure Water and Recycled Water Expansion Phase I Project.  
Staff recommendation: Authorize the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and the City of Oceanside for their Pure Water and Recycled Water Expansion Phase 1 Project.

Ms. Herbon provided a presentation that included an overview of the Local Resources Program, the City of Oceanside project, the application process, and next steps.

Staff responded to questions posed by Directors Bebee, Hedberg, and Miller.

Vice Chair Boyle moved, Director Cate seconded, and the motion to approve staffs' recommendation passed unanimously.

4. Local Resources Program agreement for the Pure Water San Diego Program - North City Project Phase I.

Staff recommendation: Authorize the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and the City of San Diego for their Pure Water San Diego Program – North City Project Phase I.

Mr. Vespi, with the City of San Diego, addressed the Board regarding the Local Resources Program agreement for the Pure Water San Diego Program – North City Project Phase I.

Ms. Herbon provided a presentation that discussed the City of San Diego project, the Local Resources Program application process, and next steps.

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

5. Cyclic Storage Agreement with the Metropolitan Water District of Southern California.

Staff recommendation: Authorize the General Manager to enter into an agreement with the Metropolitan Water District of Southern California (MWD) for a cyclic storage account.

Ms. Gage provided a presentation that included an overview of the Cyclic Storage Program, Cyclic Storage Master Agreement, Cost-Offset Credit Agreement, Letter Agreement, Monthly Certification Form, and next steps.

Director Cate moved, Director Hedberg seconded, and the motion to approve staffs' recommendation passed unanimously.

### 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 10:03 a.m.

## **ADMINISTRATIVE AND FINANCE COMMITTEE**

### **CALL TO ORDER / ROLL CALL**

Chair Hilliker called the Administrative and Finance Committee meeting to order at 10:18 a.m. Committee members present were Chair Hilliker, Vice Chairs Ayala and Leonard, and Directors Boyle, Cate, Evans, Katz, Murtland, Saxod, Smith, Udrys, Watkins, and Wilson. Committee members absent were Directors Croucher and Simpson. Also present were Directors Arant, Cherashore, Fong-Sakai, Guerin, Hedberg, Heinrichs, Hogan, Kennedy, Lewinger, Madaffer, Masson, Miller, 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, Assistant General Manager Denham, General Counsel Hattam, Director of Finance/Treasurer Harris, Director of Administrative Services Foster, Rate and Debt Manager Rossum, Budget and Treasury Manager Whyte, and Controller Woidzik.

### **ADDITIONS TO AGENDA**

There were no additions to the agenda.

### **PUBLIC COMMENT**

Hannah Gbeh, of San Diego County Farm Bureau, spoke regarding Special Agricultural Water Rates.

### **CHAIR'S REPORT**

There was no Chair's report.

### **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. Establish 2020 Board meeting dates.  
Staff recommendation: Combine the November and December Board meeting dates to November 19, 2020 and approve the 2020 Board meeting dates calendar.

3. Approve professional services contract with Chandler Asset Management to provide External Investment Management Services to Manage the Water Authority's Short Term and Long Term Investment Portfolios.  
Staff recommendation: Authorize the General Manager to award a professional services contract to Chandler Asset Management to provide external investment management services for a non-discretionary portfolio, including both short and long-term investments.

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

## II. ACTION/DISCUSSION/PRESENTATION

1. Fiscal Sustainability Task Force Update.

Chair Hilliker began by reviewing items covered at the prior two Task Force meetings held September 27 and October 11, 2019 before introducing Ms. Harris.

Ms. Harris provided a more detailed review of the last Task Force meeting, including a summary of Task Force discussions on the transition of TSWAR to SAWR program by the deadline of December 2020.

Directors asked questions and staff provided answers.

## III. INFORMATION

The following information items were received and filed:

1. Controller's Report on Monthly Financial Activity.
2. Annual Reimbursements to Board Members and Staff.
3. 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 10:51 a.m.

## IMPORTED WATER COMMITTEE CALL TO ORDER / ROLL CALL

Chair Lewinger called the Imported Water Committee meeting to order at 11:03 a.m. Committee members present were Chair Lewinger, Vice Chair Cherashore, and Directors Evans, Fong-Sakai, Guerin, Hogan, Madaffer, Masson, Preciado, Saxod, and Scalzitti. Committee members absent were Vice Chair Barnum, and Directors Hall, and Morrison. Also

present were Directors Arant, Boyle, Cate, Hedberg, Heinrichs, Hilliker, Kennedy, Leonard, Miller, Mosca, Murtland, Smith, Steiner, Wilson, Udry, 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 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**

Chair Lewinger briefed the Board on Bay Delta issues and announced that Chair Madaffer had been sworn in to serve on the Colorado River Board.

#### **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.**

MWD Delegates Goldberg, Smith, and Hogan reported on discussion and action taken at the recent MWD Board meetings.

##### **1-B Metropolitan Water District Mid-Cycle Biennial Budget Review.**

Ms. Mendelson-Goossens presented on Metropolitan Water District's Mid-Cycle Biennial Budget review, which explained the variation between MWD's forecasted and actual water sales, key Fiscal Year 2019 financial results, Fiscal Year 2020 outlook, recent MWD water sales trends, and MWD's approach to managing revenue gaps. She stated that it would be an opportune time for MWD to update its long-range financing plan. Looking ahead, in 2020, she stated MWD would adopt 2021 and 2022 budget and rates and begin an update to the Integrated Water Resources Plan.

##### **2. Colorado River Programs.**

##### **2-A Colorado River Board Representative's Report.**

Director Madaffer reported on discussion and action taken at the recent Colorado River Board meeting and highlighted that the levels at Lake Mead were very low.

### **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 11:30 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 (1<sup>st</sup> 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 (2<sup>nd</sup> District) Case No. B297553

Mr. Hattam brought the committee out of Closed Session at 11:50 a.m. and stated there was no reportable action.

### **V. ADJOURNMENT**

There being no further business to come before the Imported Water Committee, Chair Lewinger adjourned the meeting at 11:51 a.m.

### **LEGISLATION AND PUBLIC OUTREACH COMMITTEE**

#### **CALL TO ORDER/ROLL CALL**

Vice Chair Katz called the Legislation and Public Outreach Committee to order at 1:04 p.m. Committee members present were Vice Chair Katz, and Directors Cherashore, Croucher, Guerin, Hilliker, Kennedy, Leonard, Madaffer, Masson, Miller, Mosca, and Steiner. Committee members absent were Chair Butkiewicz, Vice Chair Hall, and Supervisor Desmond. Also present were Directors Arant, Bebee, Boyle, Cate, Evans, Fong-Sakai, Hedberg, Heinrichs, Hogan, Lewinger, Murtland, Saxod, Scalzitti, Udrys, 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. Also present were legislative representative Ken Carpi and special guest Kellen Foster.

#### **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 Katz reported on the news conference held October 16, 2019 that commemorated the successful passage of AB 1588, which made it possible for veterans to receive credit for military education and experience.

Vice Chair Katz announced that on November 6, 2019 the Water Authority would host Congressman Mike Levin for a Legislative Roundtable event in the Water Authority boardroom.

#### **DIRECTORS' COMMENTS**

There were no Directors' comments.

#### **I. CONSENT CALENDAR**

1. Adopt positions on various federal bills.  
Staff recommendation: Adopt a position of Support on H.R. 2570 (Rouda), relating to perfluoroalkyl and polyfluoroalkyl substances.

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

#### **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 status of Water Authority Sponsored bills and bond measures including AB1588 by Assembly Members Todd Gloria (San Diego) and Adam Gray (Merced), which was signed into law, making it possible



for veterans to receive credit for military education and experience when applying for civilian water and wastewater system operator certifications within California.

2. Draft Proposed 2020 Legislative Policy Guidelines.

Mr. Farrel presented a review of proposed modifications to the Legislative Policy Guidelines and stated the final guidelines would be presented for Board consideration and approval at the November 21, 2019 Board meeting.

3. Quarterly report on Public Outreach and Conservation activities.

Mr. Lee presented a review of the current Faces of the Water Industry campaign, which included recognition of water industry employees through social media, calendars and member agency engagement through social media.

4. Quarterly Water Conservation Garden Report.

Director Evans provided announcements regarding the Water Conservation Garden and introduced Mr. Foster who provided a brief presentation on the Eagle Scout project that he completed at the Garden.

### III. INFORMATION

The following Information items were received and filed:

1. Government Relations Update.
2. Final Status Report on State Legislation and Legislative Positions.

### 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, Vice Chair Katz adjourned the meeting at 1:48 p.m.

## **ENGINEERING AND OPERATIONS COMMITTEE**

### **CALL TO ORDER / ROLL CALL**

Chair Miller called the Engineering and Operations Committee meeting to order at 1:55 p.m. Committee members present were Chair Miller, Vice Chairs Fong-Sakai and Watkins, and Directors Arant, Bebee, Hedberg, Heinrichs, Mosca, Murtland, Scalzitti, Steiner, and Udrys. Committee members absent were Directors Preciado, Simpson, and Smith. Also present were Directors Boyle, Cate, Cherashore, Croucher, Evans, Guerin, Hilliker, Hogan, Katz, Leonard, Lewinger, Madaffer, Masson, 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, Engineering Manager Kuzmich, and Operations and Maintenance Manager Meda.

#### **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**

There was no Chair's Report.

#### **I. CONSENT CALENDAR**

1. Contract with Abhe & Svoboda, Inc. for the Rejection Tower Delaminated Coating Removal project.  
Staff recommendations: Authorize the General Manager to award a construction contract to Abhe & Svoboda, Inc. in the amount of \$287,710 for the Rejection Tower Delaminated Coating Removal project.
  
2. Professional services contract with City of San Diego for Water Quality Testing and Analysis services.  
Staff recommendations: Authorize the General Manager to execute Amendment 1 to the professional services contract with the City of San Diego for a period of five years, in the amount of \$315,000, increasing the authorized cumulative contract time from five years to ten years, and the cumulative amount from \$250,000 to \$565,000.
  
3. Professional services contract for AWIA compliance.  
Staff recommendations: Authorize the General Manager to award a professional services contract with Jacobs Engineering Group, Inc. for an AWIA Compliance Crosswalk, Risk and Resilience Assessment, and Emergency Response Plan Update for an amount not to exceed \$250,000.

Director Fong-Sakai moved, Director Arant seconded, and the motion to pass staffs' recommendation passed unanimously.

## II. ACTION/DISCUSSION/PRESENTATION

### 1. Change Order to Fibrwrap Construction Services, Inc. and continuation of emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

#### Staff recommendations:

- a. Ratify Change Order 1 to Fibrwrap Construction Services, Inc. in the amount of \$140,409 for the carbon fiber repair of Pipeline 4 in Moosa Canyon.
- b. Authorize the continuation of the emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

Ms. Kuzmich provided a presentation on the Pipeline 4 leak in Moosa Canyon that included current and future activities, carbon fiber design and installation, and a contract summary. She concluded with a review of staffs' recommendations.

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

### 2. Update on Lake Hodges Hydroelectric Facility Unit 2 Outage.

Mr. Meda provided an update on the Lake Hodges Hydroelectric Facility Unit 2 Outage. He began with background information, an overview of the main components of a turbine generator and provided a summary of the outage and consequences of ground faults. He continued with information on rotor installation, bus bar leads, jumper photos, and explained secondary causes of insulation breakdown. He concluded the presentation with a summary of challenges and 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, Chair Miller adjourned the meeting at 2:29 p.m.

### FORMAL BOARD OF DIRECTORS' MEETING OF OCTOBER 24, 2019

#### 1. CALL TO ORDER Chair Madaffer called the Formal Board of Directors' meeting to order at 2:35 p.m.

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

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

Secretary Guerin called the roll. Directors present were Arant, Ayala, Bebee, Boyle, Cate, Cherashore, Croucher, Evans, Fong-Sakai, Guerin, Hedberg, Heinrichs, Hilliker,

Hogan, Katz, Leonard, Lewinger, Madaffer, Masson, Miller, Morrison, Mosca, Murtland, Saxod, Scalzitti, Smith, Steiner, Udrys, Watkins, and Wilson. Directors absent were Barnum, Butkiewicz, Hall(p), Kennedy, Preciado, Simpson, and Supervisor Desmond.

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

4. **ADDITIONS TO AGENDA**

There were no additions to the agenda.

5. **APPROVAL OF MINUTES**

Director Murtland moved, Director Masson seconded, and the motion carried at 92.42% of the vote to approve the minutes of the Formal Board of Directors' meeting of September 26, 2019.

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

Mr. John Mosen and Mr. Chris Clarke, with National Parks Conservation Association, addressed the Board regarding the Cadiz Water Mining Project and SB307.

7. **PRESENTATIONS & PUBLIC HEARINGS**

There were no presentations or public hearings.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Madaffer reported that he, along with Acting General Manager Kerl and Assistant General Manager Denham, had met with officials in Imperial County on October 7, 2019 and discussed the Regional Conveyance System and other issues of common interest.

Chair Madaffer announced that the 18<sup>th</sup> Citizens Water Academy class was scheduled to graduate on October 25, 2019 with a class of 60 participants. He added that Citizens Water Academy alumni was at nearly 800 participants and thanked Helix WD for hosting sessions and providing a facility tour of the Helix Operations Center.

Chair Madaffer thanked Secretary Guerin for leading the press conference on AB 1588, which was a collaborative veterans bill between the Water Authority and Otay WD, signed into law by Governor Newsom. He thanked everyone involved and shared a short video of the event.

Chair Madaffer reminded the Board of the Legislative Roundtable with Congressman Mike Levin on November 6, 2019 and encouraged everyone to attend. He stated the reception would begin at 1:30 p.m. and the program would

begin at 2:00 p.m. He also reminded the Board of the 2019 ACWA Fall Conference scheduled for December 3-6, 2019 in San Diego. He stated that anyone interested in attending should notify Clerk of the Board Nelson.

- 8-B Report by Committee Chairs:  
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 that no action was taken.  
Legislation and Public Outreach Committee. Director Katz reviewed the meeting and the action taken.  
Engineering and Operations Committee. Director Miller reviewed the meeting and the action taken.

9. **CONSENT CALENDAR**

Director Cate recused on items 9-4 and 9-11, and left the room, at 2:52 p.m.

Director Lewinger moved, Director Evans seconded, and the motion carried at 92.42% of the vote to approve items 9-4 and 9-11 of the Consent Calendar. Directors voting no, or abstaining are listed under the item.

- 9- 4. Local Resources Program agreement for the Pure Water San Diego Program - North City Project Phase I.  
The Board authorized the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and City of San Diego for their Pure Water San Diego Program – North City Project Phase I.
- 9-11. Professional services contract with City of San Diego for Water Quality Testing and Analysis services.  
The Board authorized the General Manager to execute Amendment 1 to the professional services contract with the City of San Diego for a period of five years, in the amount of \$315,000, increasing the authorized cumulative contract time from five years to ten years, and the cumulative amount from \$250,000 to \$565,000.

Director Cate returned to the room.

Director Lewinger moved, Director Evans seconded, and the motion carried at 92.42% of the vote to approve the remaining Consent Calendar items. Directors voting no, or abstaining are listed under the item.

- 9- 1. Claude “Bud” Lewis Carlsbad Desalination Plant Proposed Change in Ownership.  
The Board authorized the General Manager to provide written consent for the proposed sale and change in ownership of the Carlsbad Desalination Plant from Orion Water Partners LLC to Aberdeen Standard Investments.
- 9- 2. Claude “Bud” Lewis Carlsbad Desalination Plant Water Purchase Agreement Contract Administration Memorandum Regarding Second Phase of Intake and Discharge System Modifications.  
The Board authorized the General Manager to execute a Water Purchase Agreement Contract Administration Memorandum (CAM) between the Water Authority and Poseidon Resources (Channelside) LP for the Second Phase of Intake and Discharge System Modifications at the Lewis Carlsbad Desalination Plant.
- 9- 3. Local Resources Program agreement for the Oceanside Pure Water and Recycled Water Expansion Phase I Project.  
The Board authorized the General Manager to execute a Local Resources Program agreement with the Metropolitan Water District of Southern California and the City of Oceanside for their Pure Water and Recycled Water Expansion Phase 1 Project.
- 9- 5. Cyclic Storage Agreement with the Metropolitan Water District of Southern California.  
The Board authorized the General Manager to enter into an agreement with the Metropolitan Water District of Southern California (MWD) for a cyclic storage account.
- 9- 6. Monthly Treasurer’s Report on Investments and Cash Flow.  
The Board noted and filed the Treasurer’s report.
- 9- 7. Establish 2020 Board meeting dates.  
The Board combined the November and December Board meeting dates to November 19, 2020 and approved the 2020 Board meeting dates calendar.
- 9- 8. Approve professional services contract with Chandler Asset Management to provide External Investment Management Services to Manage the Water Authority’s Short Term and Long Term Investment Portfolios.  
The Board authorized the General Manager to award a professional services contract to Chandler Asset Management to provide external investment management services for a non-discretionary portfolio, including both short and long-term investments.
- 9- 9. Adopt positions on various federal bills.  
The Board adopted a position of Support on H.R. 2570 (Rouda), relating to perfluoroalkyl and polyfluoroalkyl substances.

9-10. Contract with Abhe & Svoboda, Inc. for the Rejection Tower Delaminated Coating Removal project.

The Board authorized the General Manager to award a construction contract to Abhe & Svoboda, Inc. in the amount of \$287,710 for the Rejection Tower Delaminated Coating Removal project.

9-12. Professional services contract for AWIA compliance.

The Board authorized the General Manager to award a professional services contract with Jacobs Engineering Group, Inc. for an AWIA Compliance Crosswalk, Risk and Resilience Assessment, and Emergency Response Plan Update for an amount not to exceed \$250,000.

9-13. Change Order to Fibrwrap Construction Services, Inc. and continuation of emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

The Board ratified Change Order 1 to Fibrwrap Construction Services, Inc. in the amount of \$140,409 for the carbon fiber repair of Pipeline 4 in Moosa Canyon; and authorized the continuation of the emergency declaration for the repair of Pipeline 4 in Moosa Canyon.

10. **ACTION/DISCUSSION**

10-A Detachment Update – Claire Hervey Collins.

Claire Collins, Special Counsel to the Water Authority, provided an update to the Board on the potential detachment of Fallbrook PUD and Rainbow MWD from the Water Authority. She spoke briefly on the LAFCO process and communications between Riverside County LAFCO and San Diego County LAFCO and reported that the decision had been released for the potential detachment to be handled entirely by San Diego County LAFCO. She stated that the potential detachment was an unprecedented event as no agencies have ever de-annexed from the Water Authority, and San Diego County LAFCO have never processed a multi-county de-annexation. She stated that in addition to submitting a proposal, it has been requested that Fallbrook and Rainbow, as part of the LAFCO process, arrange detailed consultations with all SDCWA member agencies to discuss rate impacts and other issues of concern regarding the potential detachment.

10-B General Manager recruitment update. – Chair Madaffer provided an update on the General Manager recruitment process. He stated that 32 applications were received, which was narrowed by the recruiter and Task Force to six applicants. The six applicants appeared before the Community Interview Committee in October, and following discussion, four finalists were chosen. He announced the Task Force would meet again in the beginning of November, at which point the final applicants would be chosen, who would proceed to the interview before the full board at the Special Board Meeting at 9:00 a.m. on November 14, 2019, during Closed Session.

He encouraged everyone to attend and stressed the importance of the decision before the Board in selecting the new General Manager of the agency.

Directors Hedberg, Scalzitti, and Watkins asked questions and made comments regarding interview questions and process transparency, and Chair Madaffer provided answers.

Secretary Guerin and Vice Chair Croucher spoke briefly on the recruitment process and transparency efforts.

Director Lewinger clarified earlier comments made by Chair Madaffer regarding the selection of the final four applicants being the recommendation of the GM Selection Task Force, based on results of discussions from the Community Committee. Chair Madaffer reminded the Board that the GM Selection Task Force was comprised of Chairs of each standing committee, and the Board Officers.

Director Bebee made comments regarding applicant pool numbers.

Chair Madaffer encouraged the Board to provide input on interview questions for the final applicants.

11. **SPECIAL REPORTS**

11-A ACTING GENERAL MANAGER'S REPORT – Ms. Kerl answered questions posed during the Water Planning and Environmental Committee, from Director Miller, regarding costs of the Oceanside Pure Water Project. She also stated that she had included a report within the Supplemental Materials that reviewed activities and events attended by her over the prior months.

11-B GENERAL COUNSEL'S REPORT – Mr. Hattam stated he had nothing further to report.

11-C SANDAG REPORT – Director Morrison reported the meeting was scheduled for October 25, 2019.  
SANDAG Subcommittees:  
Borders Committee – Director Saxod reported the meetings was scheduled for October 25, 2019.  
Regional Planning Committee – Director Leonard stated the meeting was cancelled.

11-D AB 1234 Compliance Reports – No reports were given.

Chair Madaffer reminded the Board that ethics training would not be provided in office and that an email had been sent by General Counsel that included a link to



complete the training online.

12. **CLOSED SESSION(S)**

Mr. Hattam stated there would be no Closed Session.

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 (1<sup>st</sup> 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 (2<sup>nd</sup> District) Case No. B297553

13. **ACTION FOLLOWING CLOSED SESSION**

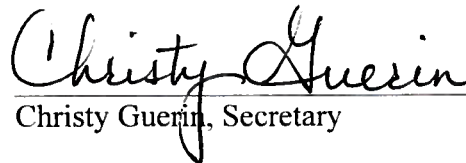
14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**

There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 3:12 p.m.



Jim Madaffer, Chair



Christy Guerin, Secretary



Melinda Nelson, Clerk of the Board