

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING  
JANUARY 23, 2020**

**WATER PLANNING AND ENVIRONMENTAL COMMITTEE**

**CALL TO ORDER/ROLL CALL**

Chair Heinrichs called the Water Planning and Environmental Committee meeting to order at 9:02 a.m. Committee members present were Chair Heinrichs, Vice Chairs Boyle\* and Wilson, and Directors Arant, Ayala, Barnum\*, Bebee\*, Butkiewicz, Cate, Hedberg, and Hogan. Committee members absent were Directors Kennedy, Lewinger, and Supervisor Desmond. Also present were Directors Cherashore, Fong-Sakai, Hilliker, Katz, Leonard, Masson, Miller, Rios, Saxod, Scalzitti, 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 General Manager Kerl, General Counsel Hattam, Deputy General Manager Denham, Director of Water Resources Gage, Director of Public Outreach and Conservation Vedder, Water Resources Managers Crutchfield and Lovsted, Principal Water Resources Specialist Bombardier, Engineer P.E. Sweis, and Water Resources Specialist Schnell. Also present were guest speakers David Tedrow, Manager of Economic and Demographic Analysis at San Diego Association of Governments (SANDAG), and Lisa Krentz, Associate at Hazen and Sawyer.

**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 provided an overview of highlighted items in the Water Planning and Environmental Committee's Work Plan.

**DIRECTORS' COMMENTS**

There were no Directors' comments.

**I. CONSENT CALENDAR**

1. Professional services contract with Hazen and Sawyer to provide Facility Planning Services.  
Staff recommendation: Authorize the General Manager to award a professional services contract to Hazen and Sawyer, for a not-to-exceed amount of \$890,000 to provide facility planning services on four separate tasks.

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

## II. ACTION/DISCUSSION/PRESENTATIONS

1. Long-Range Demand Forecast and 2020 Urban Water Management Plan update.

Ms. Gage introduced the item and reviewed the coordinated planning process for the 2020 Urban Water Management Plan. Mr. Tedrow discussed SANDAG's role in the planning process and outlined their regional plan, regional forecast, and forecast build. Mr. Bombardier provided an overview of the coordinated planning process for the Long-Range Water Demand Forecast. Ms. Krentz followed with a discussion of Hazen and Sawyer's role in the development of the Long-Range Water Demand Forecast and provided an explanation of their methodology and econometric modeling approach. Ms. Schnell gave an overview of the preparation process of the 2020 Urban Water Management Plan and discussed the Plan's six main elements and supply project categorization. Ms. Gage concluded with a timeline of next steps.

Staff and guest speakers responded to questions and comments posed by Directors Bebee, Cate, Hedberg, Hogan, Smith, and Watkins.

\* Director Bebee arrived at 9:15 a.m., and Vice Chair Boyle arrived at 9:20 a.m.

2. Professional services contract with Woodard & Curran, Inc., for a not-to-exceed contract amount of \$250,000 for 2020 Urban Water Management Plan support services.

Staff recommendation: Authorize execution of a professional services contract with Woodard & Curran, Inc. to provided 2020 Urban Water Management Plan support services in an amount not-to-exceed \$250,000.

Ms. Schnell gave a presentation that included background information on the Urban Water Management Plan, defined the scope of work, outlined the contractor selection process, and provided results of the selection process.

\* Director Barnum arrived at 9:56 a.m.

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

3. Update on Implementation of Senate Bill 606 and Assembly Bill 1668.
4. Update on water supply conditions.

Chair Heinrichs announced that due to time constraints the presentations on items II-3. and II-4 would not be provided and asked Board Members to refer to the information provided in their Board Packet.

5. Update on the State's Draft Water Resilience Portfolio.

Ms. Lovsted provided a presentation that included background information on Executive Order N-10-19, defined reliability and resiliency, and gave an overview of the Draft Water Resilience Portfolio. She outlined the five main elements of the Portfolio, discussed key recommended actions, and identified next steps.

Staff responded to a question posed by Director Arant.

### **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 10:14 a.m.

1. Conference with Legal Counsel – Anticipated Litigation  
Government Code §54956.9(d)(2)  
One Case (claim available for public inspection pursuant to Government Code §54957.5)

Mr. Hattam brought the committee out of Closed Session at 10:33 a.m. and stated there was no reportable action.

### **V. ADJOURNMENT**

There being no further business to come before the Water Planning and Environmental Committee, Chair Heinrichs adjourned the meeting at 10:34 a.m.

## **ENGINEERING AND OPERATIONS COMMITTEE**

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

Chair Miller called the Engineering and Operations Committee meeting to order at 10:38 a.m. Committee members present were Chair Miller, Vice Chairs Fong-Sakai and Watkins, and Directors Arant, Bebee, Hedberg, Heinrichs, Preciado\*, Scalzitti, Smith, Steiner, and Udrys. Committee members absent were Directors Mosca, Murtland, and Simpson. Also present were Directors Barnum, Boyle, Cate, Cherashore, Hilliker, Hogan, Katz, Leonard, Masson, Rios, 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 General Manager Kerl, General Counsel Hattam, Deputy General Manager Denham, Director of Operations and Maintenance Fisher, Director of Engineering Reed, Deputy Director of Engineering Manager Bousquet, and Principal Engineer Fountain.

### **ADDITIONS TO AGENDA**

There were no additions to the agenda.

## **PUBLIC COMMENT**

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

## **DIRECTORS' COMMENTS**

There were no Directors' comments.

## **CHAIR'S REPORT**

Chair Miller provided a progress report on the Engineering and Operations Committee Work Plan for calendar years 2019 and 2020. Highlighted items included an update to the 2013 Energy Management Policy, Pipeline 5 Relining Delivery Point to Sage Road, Escondido Operations Facility Master Plan, and the Rancho Peñasquitos Hydroelectric Facility Operation. A final report on the Work Plan will be provided in November 2020.

### **I. CONSENT CALENDAR**

There were no Consent Calendar items.

### **II. ACTION/DISCUSSION/PRESENTATION**

1. Construction contract with OHL USA, Inc. DBA Group OHL North America for the Mission Trails Flow Regulatory Structure II and Flow Control Facility project.

Staff recommendation:

- a. Transfer \$5,863,053 within the Capital Improvement Program Lifetime Budget from Pipeline 6 to the Mission Trails Flow Regulatory Structure (FRS) II/Lake Murray Control Valve project for an overall net zero impact to the Capital Improvement Program.
- b. Authorize the General Manager to award a construction contract to OHL USA, Inc. DBA Group OHL North America in the amount of \$28,382,746 for the Mission Trails Flow Regulatory Structure II and Flow Control Facility project.

Mr. Fountain provided a presentation on the construction contract for Mission Trails Flow Regulatory Structure II and Flow Control Facility project. His presentation included community outreach, bid summary, project summary, and the project budget increase. He concluded with a review of staffs' recommendations.

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

Director Scalzitti recused himself on Action item II-2.

\* Director Preciado arrived at 10:48 a.m.

2. Professional services contract with InfraTerra, Inc. for pipelines seismic vulnerability assessment and repair time estimates.  
Staff recommendation: Authorize the General Manager to award a professional services contract to InfraTerra, Inc. for \$724,939 to perform pipelines seismic vulnerability assessment and repair time estimates.

Chair Miller stated that in the interest of time the committee would forgo the presentation.

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

### **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 10:55 a.m.

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

Vice Chair Barnum called the Imported Water Committee meeting to order at 11:00 a.m. Committee members present were Vice Chairs Barnum and Cherashore, and Directors Fong-Sakai, Guerin, Hall, Hogan, Madaffer, Masson, Preciado, Saxod, and Scalzitti. Committee members absent were Chair Lewinger, and Director Evans. Also present were Directors Arant, Bebee, Boyle, Butkiewicz, Cate, Croucher, Hedberg, Heinrichs, Hilliker, Katz, Leonard, Miller, Rios, Smith, Steiner, Watkins, Wilson, Udrys, 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 General Manager Kerl, General Counsel Hattam, Deputy General Manager Denham, MWD Program Director Chen, Colorado River Program Director Rodgers, Principal Water Resources Specialist Mathews, and Senior Water Resources Specialist Liz 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 reported that the annual Colorado River Water Users Association conference was held in Las Vegas on December 11-13, 2019. He stated that during the keynote address Bureau of Reclamation Commissioner Brenda Burman highlighted the success of the Drought Contingency Plan efforts and discussed the need for similar collaboration in development of the next set of operating guidelines for the Colorado River.

Vice Chair Barnum announced that new posters were up in the Board Room that displayed outlining various components of the Regional Conveyance System Study and requested Board Members take a moment to view them.

Vice Chair Barnum highlighted several key accomplishments from the Imported Water Committee's Work Plan and stated a final report would be provided in November 2020. He encouraged Board Members with questions to reach out to himself, Kelly Rodgers, or Amy Chen.

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

Director Croucher announced that General Manager Kerl, Director Guerin, and himself had attended the MWD meetings. He acknowledged MWD Staff and Board had welcomed them and they had very productive conversations.

##### **1-B Metropolitan Water District's Demand Management Cost Methodology Update.**

Ms. Mendelson provided an update on MWD's Demand Management cost allocation discussion. She reported that in December 2019 the MWD board voted to not charge Water Stewardship Rate for calendar years 2021 and 2022, and fund demand management programs with reserves in Water Stewardship Fund. The MWD board would use this time to further evaluate potential demand management cost allocation options.

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

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

Director Madaffer announced the Colorado River Board did not meet in January. He reported on December 2019 meeting discussions, which were held at the Colorado River Users Association Conference in Las Vegas.

2-B Water Transfer Implementation Update.

Ms. Mathews provided an update on Water Transfer Implementation with the Imperial Irrigation District. She reviewed basic details, annual schedule, conservation projects used by IID, and supply rates. She also mentioned additional funding provided for water transfer, environmental mitigation programs, and Lower Colorado River Multi-Species Conservation Program.

Staff responded to questions and comments posed by the Board.

**III. INFORMATION**

There were no Information items.

**IV. CLOSED SESSION**

Mr. Hattam took the committee into Closed Session at 11:32 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 12:22 p.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 12:23 p.m.

## **ADMINISTRATIVE AND FINANCE COMMITTEE**

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

Chair Hilliker called the Administrative and Finance Committee meeting to order at 1:06 p.m. Committee members present were Chair Hilliker, Vice Chairs Ayala and Leonard, and Directors Boyle\*, Cate, Croucher, Katz, Saxod, Smith, Udrys\*, Watkins\*, and Wilson. Committee members absent were Directors Evans, Murtland, and Simpson. Also present were Directors Barnum, Bebee, Butkiewicz, Cherashore, Fong-Sakai, Guerin, Hall, Hedberg, Heinrichs, Hogan, Madaffer, Masson, Miller, Preciado, Rios, Scalzitti, Steiner, and Supervisor Desmond. At that time, there was a quorum of the Board and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Kerl, General Counsel Hattam, Deputy General Manager Denham, Director of Finance/Treasurer Harris, Director of Administrative Services Foster, Rate and Debt Manager Rossum, Budget and Treasury Manager Whyte, and Senior Management Analyst Gore. Also present was guest speaker Lisa Greer Quateman, Senior Partner of Polsinelli LLP.

### **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 provided a progress report on the calendar years 2019 and 2020 Administrative and Finance Committee Work Plan. He highlighted several accomplishments and asked if directors had additional comments related to the report.

\* Director Boyle arrived at 1:08 p.m.

### **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.

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

#### **II. ACTION/DISCUSSION/PRESENTATION**

1. Fiscal Sustainability Task Force Update.



Chair Hilliker reviewed items covered at the Fiscal Sustainability Task Force (FSTF) meeting held January 3, 2020. Specifically, Chair Hilliker reported that FSTF confirmed the Infrastructure Access Charge projected increase for CY 2021 rates and began a discussion on potential rate design alternatives. He informed the board that the next FSTF meeting would be on January 31, 2020.

2. Securities Law Municipal Disclosure Training.

Ms. Harris introduced Lisa Greer Quateman, Senior Partner of Polsinelli. Ms. Quateman provided a presentation on Securities Law that included a summary of applicable antifraud rules and violation consequences, materiality, SEC Municipal Enforcement, initial or primary market disclosure, continuing disclosure, event disclosure, and a review of the disclosure process.

\* Director Udrys arrived at 1:16 p.m. and Director Watkins arrived at 1:22 p.m.

Directors asked questions and Ms. Quateman provided answers.

3. Other Post-Employment Benefits Policy Adoption and Pension Funding Update.

Staff recommendations:

- A. Establish an OPEB funding policy framework
- B. Draw down excess funds in the OPEB Trust annually and contribute to CalPERS.

Ms. Harris began the presentation with a pension plan funding policy recap. Mr. Gore continued with information on CalPERS funded ratio history & ADPs, and the OPEB funded ratio. Ms. Harris concluded with an overview of the recommended OPEB funding framework.

Director Udrys and Hall requested further information related to CalPERS. Directors asked questions, staff provided answers and further clarification.

Director Smith moved, Director Katz seconded and the motion to approve staffs' recommendation passed unanimously.

**III. INFORMATION**

The following information items were received and filed:

- 1. Controller's Report on Monthly Financial Activity.
- 2. 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 1:50 p.m.

## **LEGISLATION AND PUBLIC OUTREACH COMMITTEE**

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

Chair Butkiewicz called the Legislation and Public Outreach Committee to order at 2:02 p.m. Committee members present were Chair Butkiewicz, Vice Chairs Hall and Katz, and Directors Cherashore, Croucher, Guerin, Hilliker, Leonard, Madaffer, Masson, Miller, Steiner, and Supervisor Desmond. Committee members absent were Directors Kennedy and Mosca. Also present were Directors Arant, Ayala, Barnum, Cate, Fong-Sakai, Hedberg, Heinrichs, Hogan, Preciado, Rios, Saxod, Scalzitti, Smith, and Wilson. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Kerl, General Counsel Hattam, Deputy General Manager Denham, Director of Public Outreach and Conservation Vedder, and Government Relations Manager Farrel. 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 reported that members of the Board and management team would participate in the San Diego Regional Chamber of Commerce's annual leadership visit to Sacramento on February 25-26, 2020 to discuss important San Diego regional needs including water supply reliability. He also stated that members of the Board and management team would be participating in the annual ACWA Washington, DC conference scheduled for February 25-27, 2020.

Chair Butkiewicz announced the next Citizens Water Academy would take place in March 2020 and staff was accepting applications.

### **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, including NEPA regulation updates, and Waters of the United States rules.

Director Fong-Sakai requested a link be sent to the Board for the update on the Waters of the United States rules.

1-B Sacramento report.

Mr. Farrel provided a Sacramento report which included an update on status of Water Authority Sponsored bills and information on the Governor's proposed state budget.

2. Federal Legislative Priorities for 2020.

Mr. Farrel presented a review of proposed federal legislative priorities for 2020 and stated that staff would present final federal legislative priorities for the Board's consideration on February 27, 2020.

**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 2:38 p.m.

**FORMAL BOARD OF DIRECTORS' MEETING OF JANUARY 23, 2020**

1. **CALL TO ORDER** Chair Madaffer called the Formal Board of Directors' meeting to order at 2:47 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, Barnum\*, Butkiewicz, Cate, Cherashore, Croucher, Fong-Sakai, Guerin, Hall, Hedberg, Heinrichs, Hilliker, Hogan, Katz, Leonard, Madaffer, Masson, Miller, Preciado, Rios, Saxod, Scalzitti, Smith, Steiner, Udrys, Wilson, and Supervisor Desmond. Directors absent were Bebee, Boyle, Evans(p), Kennedy(p), Lewinger(p), Mosca(p), Murtland, Simpson, and Watkins.

- 3-A **Report on proxies received.** Director Guerin was the proxy for Director Evans, Director Hall was the proxy for Director Lewinger, Director Arant was the proxy for Director Kennedy, and Director Hogan was the proxy for Director Mosca.

4. **ADDITIONS TO AGENDA**

There were no additions to the agenda.

5. **APPROVAL OF MINUTES**

Director Preciado moved, Director Heinrichs seconded, and the motion carried at 90.61% of the vote to approve the minutes of the Special Board of Directors' meetings of November 14, 2019 and December 19, 2019, and the Formal Board of Directors' meeting of November 21, 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**

7-A **Re-Appointment of Directors.**

- Director Gary Arant representing Valley Center Municipal Water District. Term Ending January 13, 2026.
- Director John Simpson representing Pendleton Military Reservation. Term Ending January 12, 2026.
- Director Tim Smith representing Otay Water District. Term ending January 23, 2026.

Chair Madaffer announced the re-appointment of Directors Arant, Simpson and Smith with terms ending in 2026.

Chair Madaffer also introduced newly appointed board member Mona Rios, representing the City of National City.

8. **REPORTS BY CHAIRS**

- 8-A Chairs report: Chair Madaffer reminded the Board of the Imperial Valley tour scheduled for January 30, 2020. He announced the tour would include a stop at the Salton Sea and encouraged board members to attend.

Chair Madaffer reported on his attendance at a January 21, 2020 meeting with Nancy Vogel, Director of the Governor's Water Portfolio Program at the California Natural Resources Agency. The Board Officer and Committee Chairs were also in attendance at the January 21 meeting, which discussed topics including Governor Newsom's Executive Order.

In closing, Chair Madaffer acknowledged Padre Dam MWD for management of Santee Lakes. He praised the venue and encouraged everyone to visit the RV Park and recreational facilities of Santee Lakes.

\* Director Barnum left the room at 2:59 p.m.

- 8-B Report by Committee Chairs:  
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.  
Imported Water Committee. No action was taken.  
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.

9. **CONSENT CALENDAR**

Mr. Hattam announced that Director Scalzitti would recuse himself on Consent Calendar item 9-3.

Director Masson moved, Director Miller seconded, and the motion carried at 89.13% of the vote to approve the Consent Calendar, excluding item 9-3. Directors voting no, or abstaining are listed under the item.

- 9- 1. Professional services contract with Hazen and Sawyer to provide Facility Planning Services.  
The Board authorized the General Manager to award a professional services contract to Hazen and Sawyer, for a not-to-exceed amount of \$890,000 to provide facility planning services on four separate tasks.
- 9- 2. Professional services contract with Woodard & Curran, Inc., for a not-to-exceed contract amount of \$250,000 for 2020 Urban Water Management Plan support services.  
The Board authorized execution of a professional services contract with Woodard & Curran, Inc. to provide 2020 Urban Water Management Plan support services in an amount not-to-exceed \$250,000.
- 9- 4. Professional services contract with InfraTerra, Inc. for pipelines seismic vulnerability assessment and repair time estimates.  
The Board authorized the General Manager to award a professional services contract to InfraTerra, Inc. for \$724,939 to perform pipelines seismic vulnerability assessment and repair time estimates.

- 9- 5. Monthly Treasurer's Report on Investments and Cash Flow.  
The Board noted and filed the Treasurer's report.
- 9- 6. Other Post-Employment Benefits Policy Adoption and Pension Funding Update.  
The Board approved to establish an OPEB funding policy framework and draw down excess funds in the OPEB Trust annually and contribute to CalPERS.

Director Scalzitti left the board room at 3:00 p.m.

- 9- 3. Construction contract with OHL USA, Inc. DBA Group OHL North America for the Mission Trails Flow Regulatory Structure II and Flow Control Facility project.  
The Board approved a transfer of \$5,863,053 within the Capital Improvement Program Lifetime Budget from Pipeline 6 to the Mission Trails Flow Regulatory Structure (FRS) II/Lake Murray Control Valve project for an overall net zero impact to the Capital Improvement Program and authorized the General Manager to award a construction contract to OHL USA, Inc. DBA Group OHL North America in the amount of \$28,382,746 for the Mission Trails Flow Regulatory Structure II and Flow Control Facility project.

Director Masson moved, Director Miller seconded, and the motion carried at 85.48% of the vote to approve the Consent Calendar. Directors voting no, or abstaining are listed under the item.

Director Scalzitti returned to the board room at 3:01 p.m.

Director Leonard addressed the Board regarding a recent issue faced by his agency, the City of Poway. He stated that aging infrastructure had caused an emergency and his agency's small staff size had made it difficult to respond. He expressed his appreciation to Ms. Kerl and Water Authority Staff for the expertise support provided to his agency during the emergency. He added that 12 Water Authority Member Agencies had also provided staff support, and he stressed the importance of Mutual Aid.

10. **ACTION/DISCUSSION**  
10-A Notice of Review of Representative to the Metropolitan Water District of Southern California.

Chair Madaffer asked Board Members to refer to the informational memo included in the board packet.

- 10-B Update on and address potential Metropolitan Water District settlement status. (Discussion) – Mark Hattam.

11. **SPECIAL REPORTS**

11-A GENERAL MANAGER'S REPORT – Ms. Kerl congratulated Mr. Denham on his promotion to Deputy General Manager.

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

11-C SANDAG REPORT – No report was provided.  
SANDAG Subcommittees:  
Borders Committee –No report was provided. Director Saxod stated the meeting was scheduled for January 24, 2020.  
Regional Planning Committee – No report was provided. Director Leonard stated the meeting was scheduled for January 24, 2020.

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

Mr. Hattam took the Board into Closed Session on item 12-D at 3:05 p.m.

12. **CLOSED SESSION(S):**

12-A Conference with Legal Counsel – Anticipated Litigation  
Government Code §54956.9(d)(2)  
One Case (claim available for public inspection pursuant to Government Code 54957.5)

12-B 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-C 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

12-D Conference with Legal Counsel – Anticipated Litigation  
Government Code §54956.9(d)(2)  
Risk of Litigation

\* Director Barnum returned to the meeting at 3:12 p.m.

Mr. Hattam brought the Board out of Closed Session at 3:13 p.m. and stated there was no reportable action.

13. **ACTION FOLLOWING CLOSED SESSION**

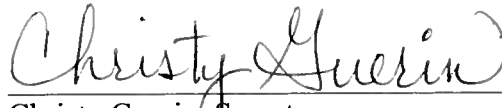
14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**

There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 3:14 p.m.



Jim Madaffer, Chair



Christy Guerin, Secretary



Melinda Nelson, Clerk of the Board