



MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
April 23, 2020

1. **CALL TO ORDER** Chair Madaffer called the Special Board of Directors' meeting to order at 9:00 a.m.

 2. **ROLL CALL, DETERMINATION OF QUORUM**
Clerk of the Board Nelson called the roll. Directors present on teleconference were Chair Madaffer, Vice Chair Croucher, Secretary Guerin, and Directors Arant, Ayala, Barnum*, Bebee*, Boyle, Butkiewicz, Cate, Cherashore, Evans, Fong-Sakai, Hall, Hedberg, Heinrichs, Hilliker, Hogan, Katz, Kennedy, Leonard, Lewinger, Miller, Mosca, Murtland*, Preciado, Reeh, Rios, Saxod, Scalzitti*, Smith, Steiner*, Udrys, and Wilson.

The following Directors were also present on teleconference but voice not recorded on some or all of the votes: Barnum and Murtland.

Directors absent were Simpson and Supervisor Desmond.

Staff present included General Manager Kerl, Assistant General Manager Denham, General Counsel Hattam, and Finance Director/Treasurer Harris.

2-A **Report on proxies received.** Director Miller was the proxy for the City of Escondido.

 3. **ADDITIONS TO THE AGENDA**
There were no additions to the agenda.

 4. **APPROVAL OF MINUTES**
Director Lewinger moved, Director Mosca seconded, and the motion carried at 87.398% of the vote to approve the minutes of the Special Imported Water Committee meeting of March 12, 2020 and the Formal Board of Directors' meeting of March 26, 2020.

 5. **PUBLIC COMMENT**
There were no members of the public who wished to speak.
- *Director Scalzitti joined the meeting at 9:14 a.m. and Director Steiner at 9:25 a.m.
6. **REPORT BY CHAIR**
Chair Madaffer reported the Water Authority received a dividend check of about \$25,000 from CalMutuals JPRIMA, as a result of their pool of customers that outperformed loss

and expenditure expectations. He thanked Operations and Maintenance staff for their regional collaboration efforts and transfer of more than 3,500 acre-feet of water out of Lake Hodges and stored in San Vicente Reservoir. Chair Madaffer also reminded the Board that General Manager and General Counsel evaluation forms would be mailed and were due back to the Clerk by May 28, 2020 and that a closed session would be held at the June 25, 2020 Board meeting to discuss results.

*Directors Barnum, Bebee and Murtland joined the meeting at 9:30 a.m.

7. **ACTION/DISCUSSION/PRESENTATION**

7-A Appointment of Amy Reeh, representing Yuima Municipal Water District. Term ending January 13, 2022.

Chair Madaffer announced the appointment of Director Reeh and welcomed her to the San Diego County Water Authority Board of Directors.

7-B Update on COVID-19 Emergency.

Ms. Kerl reviewed steps implemented since the COVID-19 virus pandemic including the establishment of the COVID-19 Management Team, a timeline of overall actions taken, the transition of Water Authority workforce, a technology deployment summary, outreach efforts, and provided images from the workforce working offsite.

Directors asked questions and staff responded.

7-C Detachment update.

Mr. Hattam reported the Rainbow and Fallbrook detachment applications were filed, the Water Authority filed its application for exemption from Part 4 LAFCO process and requested LAFCO stay matters during COVID-19 pandemic. LAFCO advised they cannot stay without agreement from Rainbow/Fallbrook and sent them a request. A LAFCO hearing has been scheduled for May 4, 2020 regarding the Water Authority's Part 4 exemption.

7-D Fiscal Years 2020 and 2021 Mid-Term Budget Update.

Ms. Kerl provided an overview including fiscal years 2020 and 2021 budget recap, accomplishments of 2020, major factors impacting the mid-term budget, and the schedule for budget updates.

Directors asked questions and staff responded.

7-E Calendar Year 2021 Rate and Charge update.

Mr. Rossum reported on the rate development process, an overview of the annual cost of service, 2019 high/low rate guidance, preliminary assumptions, and calendar year 2021 rate and charge drivers. Mr. Bombardier reviewed key variables of water demand and sales forecast, primary assumptions, member agency local supplies, and projected total water demand and sales forecast. Mr. Rossum explained the updated sales forecast was challenging as overall regional use was down. He reviewed current and proposed MWD rates and charges, how each component impacted rates, and provided information on the planned rate setting process and dates.

Directors asked questions and staff responded.

7-F Pipeline 5 Repair Update.

Ms. Kuzmich reviewed activities completed to date, provided a map of the Pipeline 5 bulkhead location, carbon fiber installation, a summary of the construction contract, and timeline for construction and completion.

7-G Washington report.

Mr. Carpi provided a report on Washington activities.

7-H Sacramento report.

Mr. Farrel provided a report which included the legislature returning from recess on May 4, 2020, updates on the state budget, reviewed sponsored legislation, and an update on the resources/resiliency bond.

7-I Enhanced Outreach – Safe Water Program.

Mr. Lee reported on increased member agency coordination, amplified social media main messages, created flyers to share water safety message, and ad packages that promoted water quality and safety.

*Director Kennedy left meeting at 11:10 a.m.

7-J Resolution approving Rincon del Diablo Municipal Water District's Proposed Sringeri Vidya Bharati Foundation Temple Annexation.

Ms. Schnell provided background information on the proposed Sringeri Vidya Bharati Foundation Temple annexation and the proposed annexation area.

Director Bebee moved, Director Lewinger seconded, and the motion carried at 93.04% of the vote to adopt Resolution No. 2020-04. Ms. Nelson took a roll call vote.

7-K Update on water supply conditions.

Ms. Herbon provided an update on Water Supply Conditions including Northern Sierra precipitation and snowpack, Lake Oroville storage volumes, upper Colorado River basin overview, and three-month precipitation and temperature outlooks

7-L MWD Member Agency Administered Program (MAAP) update.

Ms. German provided background on funding, types of MAAP programs, approved projects and funding commitments, local projects, projected expenditures through fiscal year 2020 and next steps.

*Director Preciado left the meeting at 12:00.

8. CONSENT CALENDAR

Director Katz moved, Director Mosca seconded, and the motion carried at 92.541% of the vote to approve Consent Calendar items 8-1 through 8-3, with the exception of item 8-3 in support of AB 2619 where Directors Hilliker and Wilson voted no which passed at 89.098%. Ms. Nelson took a roll call vote. Directors voting no, or abstaining are listed under the item.

8-1. Monthly Treasurer's Report on Investments and Cash Flow.

The Board noted and filed the Treasurer's report.

8-2. Adopt positions on various state bills.

The Board adopted the following positions:

- a) Support on AB 2089 (Rivas), relating to climate change resiliency
- b) Support on AB 2619 (Stone), relating to sea level rise and coastal climate change
- c) Support if Amended on AB 2789 (Kamlager), relating to distributed energy resources and the electric transmission and distribution systems
- d) Support on AB 2839 (E. Garcia), relating to creation of the California Deserts Conservancy
- e) Oppose on AB 3147 (Gabriel), relating to connection fees and capacity charges
- f) Support if Amended on AB 3256 (E. Garcia), relating to the Wildfire Prevention, Safe Drinking Water, Climate Resilience, Drought Preparation, and Flood Protection Bond Act of 2020
- g) Support on ACR 179 (Voepel), relating to Special Districts Week
- h) Support and Seek Amendments on SB 1188 (Stern), relating to the California Water Plan
- i) Support if Amended on SB 1215 (Stern), relating to electricity microgrids
- j) Support on the Desalination Development Act (Levin), relating to federal funding for eligible desalination projects

Directors Hilliker and Wilson voted no on Support on AB 2619 (Stone) and the item passed at 89.098%.

8-3 Change Orders to Kiewit Infrastructure West, Inc. for the Northern First Aqueduct Structures and Lining Rehabilitation Project.

The Board accepted staff executed change orders 1 through 5 for a credit of \$69,888; and authorized the General Manager to execute pending change orders for up to \$400,000 for the Valley Center 2 leak repair, and a pending change order for up to \$160,000 for the Portal 2 and 5 groundwater differing site condition.

9. INFORMATION

The following Information items were received and filed:

- A. Controller's Report on Monthly Financial Activity
- B. Metropolitan Water District Delegates Report
- C. Bay Delta update
- D. Colorado River Hydrology update
- E. Quarterly report on Public Outreach and Conservation activities
- F. Government Relations Update
- G. Board Calendar

10. SPECIAL REPORTS

10-A GENERAL MANAGER'S REPORT – Ms. Kerl stated she had nothing further to report.

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

10-C SANDAG REPORT – Director Katz provided a report.

SANDAG Subcommittees:

Borders Committee – Director Saxod had no report as the meeting was cancelled.

Regional Planning Committee – Director Leonard had no report as the meeting was cancelled.

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

11. CLOSED SESSION(S)

Mr. Hattam stated there was no need for Closed Session.

11-A Conference with Legal Counsel– Existing Litigation Government Code §54956.9(d)(1)
Name of Case: Bonnie Kesner et al v. City of Santa Clara et al; Santa Clara Superior
Court Case No. 20CV364054

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

- 11-C 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
- 11-D 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
- 11-E 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. **ACTION FOLLOWING CLOSED SESSION**

There was no action following Closed Session.

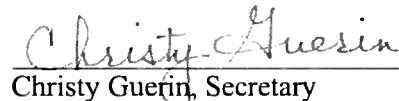
13. **OTHER COMMUNICATIONS**

There were no other communications.

14. **ADJOURNMENT**

There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 12:16 p.m.


Jim Madaffer, Chair


Christy Guerin, Secretary


Melinda Nelson, Clerk of the Board