MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
January 17, 2018, 5:30 p.m.

President Bilodeau called to order the January 17, 2018 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. in the Boardroom at the District office. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows.

Directors		Staff
Philip Anthony	(absent)	Michael Wehner, Assistant General Manager
Denis Bilodeau		Joel Kuperberg, General Counsel
Shawn Dewane		Janice Durant, District Secretary
Cathy Green		
Dina Nguyen	(arrived 5:57 p.m.)	
Vicente Sarmiento		
Stephen Sheldon	(absent)	
James Vanderbilt		
Bruce Whitaker		
Roger Yoh	(arrived 5:50 p.m.)	

VISITOR PARTICIPATION

Surf City Voice representative John Earl addressed the Board on Agenda Item No. 3, *Director's Compensation*. He urged the Board to disclose why they deserve a pay raise.

CONSENT CALENDAR

Assistant General Manager Wehner advised of a non-substantive change to page 25 of the Agreement with US Army Corps of Engineers (Agenda Item No. 5). With that change noted, the Consent Calendar was then approved upon motion by Director Dewane, seconded by Director Sarmiento and carried [6-0] as follows:
Ayes: Bilodeau, Dewane, Green, Sarmiento, Vanderbilt, Whitaker
Absent: Anthony, Nguyen, Sheldon, Yoh

1. Approval of Cash Disbursements

MOTION NO. 18-2
APPROVING CASH DISBURSEMENTS

Payment of bills for the period December 28, 2017 through January 10, 2018 in the total amount of $7,917,129.57 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 18-3
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held December 6, 2017 are approved as presented.

3. Director's Compensation

MOTION NO. 18-4
AUTHORIZING PUBLICATION OF NOTICE OF PUBLIC HEARING TO CONSIDER INCREASING DIRECTOR'S COMPENSATION

Publication of a notice of public hearing as required by law to be held February 7, 2018 is hereby authorized to consider increasing Director's compensation from $275 to $288 per day of service, up to a maximum of ten days per month, commencing April 10, 2018.

ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD JANUARY 10, 2018

4. Agreement with DDB Engineering for the Preparation of 2017 GWRS Annual Report

RESOLUTION NO. 18-1-4
APPROVING AGREEMENT WITH DDB ENGINEERING FOR PREPARATION OF 2017 GWRS ANNUAL REPORT

RESOLVED, that issuance of an Agreement to DDB Engineering Inc. is authorized for an amount not to exceed $49,900 to provide consulting services for the preparation of the calendar year 2017 GWRS Annual Report; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

5. Agreement with Army Corps of Engineers for Forecast-Informed Reservoir Operations (FIRO) at Prado Dam

RESOLUTION NO. 18-1-5
APPROVING AGREEMENT WITH ARMY CORPS OF ENGINEERS FOR FORECAST-INFORMED RESERVIOR OPERATIONS (FIRO) AT PRADO DAM

RESOLVED, that an agreement with the United States Army Corps of Engineers is authorized for the Forecast Informed Reservoir Operations study at Prado Dam for an amount not to exceed $45,000; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

6. Agreement with UCLA for Research Project on NDMA Precursor Characterization

RESOLUTION NO. 18-1-6
APPROVING AGREEMENT WITH UCLA FOR
RESEARCH PROJECT ON NDMA PRECURSOR CHARACTERIZATION

RESOLVED, than an Agreement with the University of California, Los Angeles (UCLA) is approved for an amount not to exceed $23,000 for the N-nitrosodimethylamine (NDMA) Precursor Polarity Rapid Assessment Method (PRAM) Research Project; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

7. Contract No. SAR-2013-2, Upper and Lower Five Coves Rehabilitation Project: RFP Construction Management and Inspection Services

MOTION NO. 18-5
AUTHORIZING RFP FOR CONSTRUCTION MANAGEMENT AND
INSPECTION SERVICES FOR CONTRACT NO. SAR-2013-2, UPPER AND LOWER FIVE
COVES REHABILITATION PROJECT

Issuance of a Request for Proposals (RFP) is authorized for construction management and inspection services for the Upper and Lower Five Coves Rehabilitation Project.

8. Alamitos Seawater Barrier 2018-19 Operations and Maintenance Budget

MOTION NO. 18-6
APPROVING ALAMITOS SEAWATER BARRIER 2018-19 O&M BUDGET

The Alamitos Barrier 2018-19 total Operations & Maintenance (O&M) budget in the amount of $1,860,000 is approved, and payment of the District's share not to exceed $744,000 payable to the Los Angeles County Department of Public Works is authorized after receipt and review of invoices.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD JANUARY 11, 2018

9. Monthly Cash Control Report

MOTION NO. 18-7
RECEIVING AND FILING NOVEMBER SUMMARY CASH AND
CASH EQUIVALENTS CONTROL REPORTS

The Cash and Cash Equivalents Control Reports dated December 31, 2017 are hereby received and filed.

10. Investment Portfolio Holdings Reports

MOTION NO. 18-8
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated December 31, 2017 are received and filed.

11. BPP and RA Estimates for Fiscal Year 2018-19

MOTION NO. 18-9
DIRECTING STAFF TO PROVIDE GWP WITH BASIN PRODUCTION PERCENTAGE AND REPLENISHMENT ASSESSMENT ESTIMATES FOR FISCAL YEAR 2018-19

Staff is directed to provide the Groundwater Producers (GWP) with the estimates for the Basin Production Percentage (75%) and the Combined Replenishment Assessment and Additional RA ($469 to $486 per acre-foot) for Fiscal Year 2018-19.

12. Groundwater Remediation Monthly Status Update

Director of Special Projects Bill Hunt provided the groundwater remediation monthly status update. With regard to the North Basin: OCWD has settled cost awards to six defendants for about $600,000, and is currently appealing the Arnold Engineering cost award which OCWD felt was unjustified. OCWD is preparing for the re-trial against Northrop Grumman, the last remaining defendant. The Environmental Protection Agency recently announced that the North Basin will be publicly noticed tomorrow in the Federal Register as a proposed National Priority Listing site which will begin the 60-day comment period. With regard to South Basin: 21 monitoring wells have been drilled in 6 clusters, pump testing of wells is complete, water samples were collected and sent to the lab, and groundwater modeling will begin soon. Mr. Hunt advised that staff has submitted a $4.91 million Proposition 1 Funding application for the North and South Basin Work.

13. Groundwater Producer Participation in FY 2017-18 In-Lieu Program

Executive Director John Kennedy provided the monthly In-Lieu Program update as of December 2017, noting that over 69,140 of in lieu water was taken by the Groundwater Producers. He reported that the program will most likely be terminated at the end of January unless Northern California gets a significant amount of precipitation.

Director Yoh arrived at 5:50 p.m. at this point in tonight's meeting

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14. Santa Ana Watershed Project Authority Activities

Director Whitaker updated the Board on recent SAWPA activities.

15. Water Resources Summary

There was no discussion of this item.

16. COMMITTEE/CONFERENCE/MEETING REPORTS

The Board reported on the following Committee meetings and noted the Minutes/Action Agendas were included in tonight's Board packet.

January 04 - Communication and Legislative Liaison Committee
January 08 – GWRS Steering Committee
January 10 - Water Issues Committee
January 11 - Administration and Finance Issues Committee

VERBAL REPORTS

Assistant General Manager Michael Wehner advised that the Regional Water Quality Control Board (RWQCB) hearing on January 24 at the Irvine Ranch Water District was canceled and moved to February 9 at the City of Loma Linda.

Director Nguyen arrived at this point in tonight's meeting.

ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 5:57 p.m. as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION –
[Government Code Section 54956.9(a)] – Three (3) cases:

1) Irvine Ranch Water District v. OCWD, et al. - Superior Court Case No. 30-2016-00858584-CU-WM-CJC
2) Richard Bulot v. OCWD, et al Superior Court Case No. 30-2017-00935345-CU-PO-CJC
3) OCWD v. Sabic Innovative plastics, LLC, et al (South Basin Litigation) Superior Court Case No. 03CC 00078246

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
[Government Code Section 54956.8]
Real property located at: Parcels (3)
253-473-01 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
253-631-32 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
253-631-39 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
OCWD negotiator: Michael Markus
Negotiating party: Various Parties
Under negotiation: Price and Terms

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 6:45 p.m. whereupon General Counsel Kuperberg advised that the Board, in Closed Session, by a vote of 6-0-1, took the following action:

RESOLUTION NO. CS-18-1-1
AUTHORIZING WAIVER OF ANY CONFLICT OF INTEREST BY RUTAN & TUCKER REPRESENTING OCWD IN THE CITY OF ANAHEIM PROPERTY NEGOTIATIONS DUE TO UNRELATED LEGAL WORK PERFORMED BY RUTAN & TUCKER FOR THE CITY OF ANAHEIM

Ayes: Bilodeau, Dewane, Green, Nguyen, Whitaker, Yoh
Abstain: Vanderbilt
Absent: Anthony, Sarmiento, Sheldon

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:45 p.m.

Janice Durant, District Secretary

Denis Bilodeau, President