

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
January 17, 2024 5:30 p.m.

President Green called to order the January 17, 2024 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows. Public access was also provided via Zoom webinar.

Directors

Valerie Amezcua
Denis Bilodeau
Cathy Green
Dina Nguyen
Natalie Meeks
Stephen Sheldon (arrived @ 5:40 p.m.)
Van Tran
Erik Weigand
Bruce Whitaker
Roger Yoh

Staff

Mike Markus, General Manager
John Kennedy, Executive Director
Jeremy Jungreis, General Counsel
Christina Fuller, District Secretary

VISITOR PARTICIPATION

There were no visitors wishing to address the Board at this meeting.

FLAG PRESENTATION TO MIKE MARKUS

Field Representative Abigail Fachtmann from Representative Young Kim's office presented General Manager Mike Markus with a certificate of recognition and a flag flown over the U.S. Capital in commemoration of his years of service.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Amezcua, seconded by Director Whitaker and carried [8-0] as follows,

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Tran, Whitaker, Yoh

Absent: Sheldon

1. Resolution Commending Orange County Water District General Manager Michael R. Markus Upon His Retirement
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RESOLUTION NO. 24-1-1
COMMEMORATING THE RETIREMENT OF MICHAEL R. MARKUS FROM THE
ORANGE COUNTY WATER DISTRICT

WHEREAS, Michael R. Markus, P.E., D.WRE, BCEE, F.ASCE, is retiring as general manager of the Orange County Water District (OCWD; the District), having served in this capacity since September 2007, becoming only the sixth general manager in the District's history; and

WHEREAS, Mr. Markus has successfully led OCWD in accomplishing its core operation to manage, replenish and protect the Orange County Groundwater Basin – Orange County’s largest source of drinking water – in a financially sound manner, by diversifying and expanding the District’s water portfolio. The basin provides a record amount of 85% of the water supply to 2.5 million residents in north and central Orange County; and

WHEREAS, Prior to becoming OCWD’s general manager, Mr. Markus’ career at OCWD began in 1988 as a construction manager, rising to the ranks of assistant general manager, where he was responsible for managing and implementing the District’s capital improvement program, the construction of over \$1.5 billion in water infrastructure projects, optimizing District operations and assets, and leading community and stakeholder communications; and

WHEREAS, Throughout his 45-year career, Mr. Markus has become a respected leader and global expert on groundwater and water reuse issues, including serving as a Santa Ana River Watermaster, and has managed all aspects of the world-renowned Groundwater Replenishment System (GWRS) – from project implementation, optimization, and public outreach; and

WHEREAS, Mr. Markus was instrumental in working with the Orange County Sanitation District (OC San) and multiple project partners and stakeholders to bring the GWRS online in 2008 as the world’s largest water purification system for indirect potable reuse, producing 70 million gallons of water a day (70 MGD). He led the implementation of the initial expansion in 2015, producing 100 MGD and the final expansion, completed in 2023, producing 130 MGD and recycling 100% of OC San’s reclaimable wastewater flows, enough to serve nearly one million people in north and central Orange County; and

WHEREAS, Under Mr. Markus’ leadership, OCWD has won more than 100 awards including the Stockholm Industry Water Award, ASCE Outstanding Civil Engineering Achievement Award, U.S. Water Prize, ACWA Innovation Award, WaterReuse Large Recycled Water Agency of the Year, and the Lee Kuan Yew Prize; and

WHEREAS, Throughout his tenure as general manager, Mr. Markus represented the District to external audiences, including effectively engaging in legislative advocacy and providing Congressional testimony. His technical expertise consistently garnered recognition from prominent media outlets including CBS, CNN, and CNBC. Furthermore, he made noteworthy appearances on the award-winning television programs 60 Minutes and California’s Gold, adding prestige to the District’s profile.

WHEREAS, Mr. Markus is called upon often to share his knowledge and expertise with agencies and associations around the world and has served in leadership capacities for many organizations, including WaterReuse California, Water Research Foundation, National Water Research Institute, American Water Works Association, and Association of Metropolitan Water Agencies; and

WHEREAS, His leadership extends beyond OCWD, which has been recognized by the many awards and achievements Mr. Markus has received, including the USC Sonny Astani Department of Civil and Environmental Engineering Lifetime Achievement Award, Pioneer in Groundwater by the Environmental & Water Resources Institute, Top 25 Industry Leaders by Water & Wastewater International, Sâid Khoury Award for Engineering Construction Excellence, Excellence in Promotion of Infrastructure, and American Society of Civil Engineers’ Government Engineer of the Year Award; and

WHEREAS, Mr. Markus obtained a Bachelor of Science degree in civil engineering from California State Polytechnic University, Pomona and a Master of Science degree in civil engineering from the University of Southern California, paving the road to his ultimate success and legacy in water resource management; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Orange County Water District does hereby officially commend and congratulate Mr. Markus for his visionary leadership at the Orange County Water District and wishes him well in his retirement and continued success in his future endeavors.

2. Approval of Cash Disbursements

MOTION NO. 24-2
APPROVING CASH DISBURSEMENTS

Payment of bills for the period of December 28, 2023 through January 10, 2024 in the total amount of \$10,515,762.20 is ratified and approved.

3. Minutes of Board of Directors Meetings held December 20, 2023 and January 3, 2024

MOTION NO. 24-3
APPROVING MINUTES OF BOARD OF DIRECTORS MEETINGS

The Minutes of the Board of Directors meeting held December 20, 2023 and January 3, 2024 are hereby approved as presented.

4. Ratification of Job Classification Salary Range Adjustments

MOTION NO. 24-4
RATIFYING OF JOB CLASSIFICATION SALARY RANGE ADJUSTMENT

The following job classification salary range adjustments are hereby ratified effective January 18, 2024:

Operations Shift Supervisor:	R-17 to R-18
Chief Operator GWRS:	R-19 to R-20
Operations Manager GWRS:	R-20 to R-21
Maintenance Manager GWRS	R-20 to R-21

5. At-Will Employment Statement Update

RESOLUTION NO. 24-1-2
APPROVING UPDATED AT-WILL EMPLOYMENT STATEMENT

RESOLVED, that the updated At-Will Employment Statement (Section 3.2) contained in the Personnel Manual effective January 18, 2024 is hereby authorized.

ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATIONS AND LEGISLATIVE
LIASION COMMITTEE MEETING HELD JANUARY 4

6. Federal Legislative Update

MOTION NO. 24-5
APPROVING A LETTER IN SUPPORT OF CONCEPT FOR THE PRIORITY FOR WATER SUPPLY
AND CONSERVATION ACT

A letter in support of concept for The Priority for Water Supply and Conservation Act is hereby approved.

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

7. GWRS Pipeline Repair Work

RESOLUTION NO. 24-1-3
RESCINDING RESOLUTION NO. R23-12-163 AND APPROVING AMENDMENT NO. 2 TO FD
THOMAS, INC. FOR ADDITIONAL REPAIR WORK TO THE GWRS PIPELINE

WHEREAS, pursuant to Resolution No. 21-3-34 adopted March 3, 2021, as subsequently modified, OCWD authorized Agreement No. 1458 to FD Thomas, Inc. for epoxy coating of portions of the Unit II GWRS Pipeline; and

WHEREAS, at the December 20, 2023 Board of Directors meeting, the Board approved Amendment No. 2 to such Agreement in the amount of \$10,117 for additional repair work to the GWRS pipeline.

WHEREAS, after further investigation into previous billings and payments, it was determined that the original Agreement was for \$850,000 with Amendment No. 1 for \$25,000 which was expected to cover the costs for extra work completed and described in the original contract scope.

WHEREAS, the extra work totaled \$69,384 more than the Agreement plus Amendment No. 1 making the December 20, 2023 Board recommendation incorrect as there were not sufficient funds to cover the majority of the balance as originally expected.

WHEREAS, the Water Issues Committee of this Board has recommended rescinding Resolution No. R23-12-163, Authorizing Amendment No. 2 to FD Thomas, Inc. contract in the amount of \$10,117 for additional repair work to the GWRS pipeline; and,

WHEREAS, the Water Issues Committee of this Board has further recommended approval of Amendment No. 2 to FD Thomas, Inc. contract in the amount of \$69,384 for additional repair work to the GWRS pipeline.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby:

Section 1: Rescind Resolution No. R23-12-163, Authorizing Amendment No. 2 to FD Thomas, Inc. contract in the amount of \$10,117 for additional repair work to the GWRS pipeline; and,

Section 2: Authorize Amendment No. 2 to FD Thomas, Inc. contract in the amount of \$69,384 for additional repair work to the GWRS pipeline.

8. Agreement with DDB Engineering for the Preparation of 2023 GWRS Annual Report

RESOLUTION NO. 24-1-4
APPROVING AGREEMENT WITH DDB ENGINEERING FOR PREPARATION
OF 2023 GWRS ANNUAL REPORT

RESOVLED, that issuance of an Agreement is authorized to DDB Engineering Inc. for an amount not to exceed \$62,580 to provide consulting services for the preparation of the calendar year 2023 GWRS Annual Report.

9. Agreement to Powers Bros Machine for Anaheim Lake Vertical Turbine Pump and Motor Inspection and Rehabilitation

RESOLUTION NO. 24-1-5
ESTABLISHING THE ANAHEIM LAKE VERTICAL TURBINE PUMP AND MOTOR INSPECTION
AND REPLACEMENT PROJECT AND APPROVING AGREEMENT WITH POWERS BROS
MACHINE INC.

WHEREAS, the vertical turbine pump and motor at Anaheim Lake, which are used to transfer water from the lake to other recharge facilities, are due for inspection and rehabilitation due to age and amount of use.

WHEREAS, the Water Issues Committee of this Board has recommended establishing the Anaheim Lake Vertical Turbine Pump and Motor Inspection and Replacement project in the amount of \$75,000;

WHEREAS, the Water Issues Committee of this Board has further recommended issuance of Agreement to Powers Bros Machine Inc. for the project in the amount of 75,000.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned project and Agreement as outlined herein; and, upon approval as to form by General Counsel, its execution by the District officers is authorized.

10. Alamitos Seawater Barrier 2024-25 Operations And Maintenance Budget

MOTION NO. 24-6
APPROVING ALAMITOS SEAWATER BARRIER 2024-25 O&M BUDGET

The Alamitos Barrier 2024-25 total Operations & Maintenance (O&M) budget in the amount of \$3,170,000 is approved, and payment of the District's share not to exceed \$1,263,000 payable to the Los Angeles County Department of Public Works is authorized after receipt and review of invoices.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION FINANCE COMMITTEE
MEETING HELD JANUARY 11

11. Monthly Cash Control Report

MOTION NO. 24-7
RECEIVING AND FILING THE MONTHLY CASH CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated December 31, 2023 are hereby received and filed.

12. Investment Portfolio Holdings Reports

MOTION NO. 24-8
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated December 31, 2023 are hereby received and filed.

13. Authorize Purchase Order to DXP Enterprises for Repair of RO High Pressure Feed Pump F01

RESOLUTION NO. 24-1-7
APPROVING PURCHASE ORDER TO DXP ENTERPRISES FOR REPAIR OF REVERSE OSMOSIS
HIGH PRESSURE FEED PUMP F01

RESOLVED, that issuance of a Purchase Order is authorized to DXP Enterprises, Inc. in the amount of \$98,123 for repair of reverse osmosis high pressure feed pump F01.

14. Agreement with Western Audio Visual and Security (WAVS) to Develop Audiovisual Specifications for the Boardroom And Conference Rooms

RESOLUTION NO. 24-1-8
APPROVING AGREEMENT WITH WESTERN AUDIO VISUAL AND SECURITY TO DEVELOP
AUDIOVISUAL SPECIFICATIONS

RESOVLED, that issuance of an Agreement is authorized to Western Audio Visual & Security for an amount not to exceed 14,000 to develop audiovisual specifications for the Boardroom, C2 and C3 conference rooms.

15. Surplus of Computer Equipment, Tools, Office Furniture, and Heavy-Duty Equipment

MOTION NO. 24-9
DECLARING COMPUTER EQUIPMENT, TOOLS, OFFICE FURNITURE AND HEAVY -DUTY
EQUIPMENT SURPLUS

The computer equipment, tools, office furniture, and heavy duty equipment items on Surplus List as of 1/03/24 are declared surplus and the sale and disposal thereof is authorized.

16. Basin Production Percentage and Replenishment Assessment Estimates for Fiscal Year 2024-25

MOTION NO. 24-10

PROVIDING BASIN PRODUCTION PERCENTAGE AND REPLENISHMENT ASSESSMENT
ESTIMATES FOR FISCAL YEAR 2024-25 TO GROUNDWATER PRODUCERS

Staff is authorized to provide the following Fiscal Year 2024-25 Replenishment Assessment and Basin Production Percentage estimates to the Groundwater Producers: Combined Replenishment Assessment & Additional RA - \$688/acre-foot; and Basin Production Percentage - 85%.

17. Division Seven Board Vacancy

President Green recalled that at the December 6, 2023 Board meeting, the Board directed staff to post a Notice of Vacancy in Division 7 indicating that the District would consider filling the vacancy at the January 17, 2024 Board meeting. She noted that OCWD received seven resumes for the position, including an application from Bruce Elieff, which was submitted after the deadline of 5pm on January 10, 2024. She advised that the Board will vote on whether to consider post deadline candidate Bruce Elieff.

MOTION NO. 24-11

NOT CONSIDER CANDIDATE BRUCE ELIEFF AS A LATE ENTRY APPLICANT FOR THE
DIVISION 7 VACANCY

Upon motion by Director Amezcua, seconded by Director Yoh and carried [8-0], the Board of Directors hereby denies Bruce Elieff as a late entry candidate for the Division 7 vacancy.

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Tran, Whitaker, Yoh
Absent: Sheldon

President Green advised that after receiving input from OCWD's Executive Committee, staff recommends the Board utilize the following procedures for tonight's selection process:

1. Board votes to determine whether to consider the application of Bruce Elieff and to approve the procedures recommended herein.
2. Request the candidates to move to the foyer outside the boardroom once the Board begins consideration of this issue and commences interviews.
3. Staff brings in candidates individually into the boardroom for interview based upon alphabetical order.
4. Candidates are to be allowed three minutes for an opening statement.
5. Board will be allowed up to 15 minutes per applicant for any questions they wish to ask each applicant.
6. Time, as needed, for Director discussion regarding the candidates. Following said discussion, staff to announce that candidates can reenter the Boardroom.

Selection Procedure

7. Board members begin the nomination process by writing the name of the candidate they want to be considered on the provided paper, which will be given to the Board Secretary. Board members attending the meeting via Zoom will tell the Board Secretary their nomination via text or email.

Documents used to nominate applicants will be kept by the Board Secretary and can be made available upon request.

8. The Board Secretary will announce if any candidate has five or more nominations based upon the nominations received. If a candidate has five or more nominations, the Board can then take a formal vote to potentially appoint that candidate to the Division Seven seat.
9. If no candidate has five or more nominations, the Board Secretary will then eliminate the candidate(s) that received one or less nominations from further consideration and announce the name(s) of the candidate(s) no longer being considered.
10. The Board will repeat steps 7-9 until a candidate has five or more nominations. Once an applicant has five or more nominations, a formal vote can then occur taking action to fill the vacancy by selecting an applicant.
11. The Board reserves the right to change the process described above as may be needed.

MOTION NO. 24-12

APPROVING THE DESCRIBED PROCESS TO SELECT A NEW DIRECTOR FOR DIVISION SEVEN

Upon motion by Director Meeks, seconded by Director Amezcua and carried [8-0], the Board of Directors hereby approves utilizing the described process to select a new Director for Division 7.

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Tran, Whitaker, Yoh

Absent: Sheldon

The Board then interviewed the five remaining candidates as follows: James Fisler, Leslie Lindahl, Robert Ooten, Erik Weigand and Mark Willie. Applicant Brett Sanders was not in attendance. The Board considered the candidates and presented the District Secretary with their nominations. The District Secretary announced that Erik Weigand received seven nominations. The Board thanked all applicants for applying and interviewing then took the following action.

Upon motion by Director Amezcua, seconded by Director Meeks, the following resolution was adopted [9-0].

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Sheldon, Tran, Whitaker, Yoh

RESOLUTION NO. 24-1-9

APPOINTING ERIK WEIGAND AS DIRECTOR, DIVISION 7

WHEREAS, a vacancy in the position of Director representing Division 7 of the Orange County Water District has occurred due to the death of Kelly Rowe; and

WHEREAS, the Notice of Vacancy in the Office of Director of Division 7 of the Orange County Water District has been posted as required by law;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby appoint Erik Weigand as Director representing Division 7 of the District to fill the unexpired portion of Kelly Rowe's term through December 6, 2024.

OATH OF OFFICE

The District Secretary administered the oath of office to new Division 7 Director Erik Weigand, and he assumed his seat on the Board.

INFORMATIONAL ITEMS

18. Water Resources Summary

General Manager Mike Markus stated the report is in the packet.

19. SAWPA Update

Director Whitaker provided an update on recent SAWPA activities.

20. Committee/Conference/Meeting Reports

The Board reported on attendance at the following Committee meetings, noting the Action Agendas were included in tonight's Board packet.

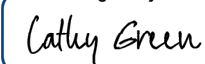
Jan 04 -	Communication & Legislative Liaison Committee
Jan 08 -	GWRS Steering Committee
Jan 10 -	Water Issues Committee
Jan 11 -	Administration and Finance Issues Committee


21. Verbal Reports

President Green reported that Moulton Niguel Water District signed a Memorandum of Understanding (MOU) with Denmark. General Manager Mike Markus thanked the Board for their support over the years.

ADJOURNMENT

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

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 2/22/2024
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Cathy Green, President

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 2/22/2024
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Christina Fuller, District Secretary