

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
January 20, 2021, 5:30 p.m.

President Sheldon called to order the January 6, 2021 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. Due to the Governor's Executive Order N-25-20, members of the Board participated via Zoom webinar from remote locations. Public access was also provided via Zoom webinar.

Directors

Denis Bilodeau
Jordan Brandman
Cathy Green
Nelida Mendoza
Dina Nguyen (absent)
Kelly Rowe
Stephen Sheldon
Tri Ta
Bruce Whitaker
Roger Yoh

Staff

Michael R. Markus, General Manager
Jeremy Jungreis, General Counsel
Janice Durant, District Secretary

ITEM RECEIVED TOO LATE TO BE AGENDIZED

General Manager Markus advised that the District was notified last night of the appointment of Bruce Whitaker to replace Ahmad Zahra on the OCWD Board effective today. He reported that Director Whitaker had been sworn in earlier in the day and the Board took the following action adding consideration of this item to tonight's Agenda and declaring Director Whitaker appointed.

Upon motion by Director Bilodeau, seconded by Director Green, the following resolution was adopted [9-0], as follows:

RESOLUTION NO. 21-1-1
DETERMINING NEED TO TAKE IMMEDIATE ACTION REGARDING APPOINTMENT OF
NEW DIRECTOR BRUCE WHITAKER TO DIVISION 10

WHEREAS, pursuant to Government Code Section 54954.2, the District posted the Agenda for its January 20, 2021 Board meeting at least 72 hours prior to the meeting, *to wit*, on January 15, 2021; and

WHEREAS, after posting of such Agenda, the District staff was apprised of the appointment of a new Director by the City Fullerton effective immediately.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby determine the need to take immediate action to consider the within described matter.

Ayes: Bilodeau, Brandman, Green, Mendoza, Rowe, Sheldon, Ta, Whitaker, Yoh

Absent: Nguyen

The District Secretary advised that she had sworn in Bruce Whitaker just prior to tonight's meeting. The Board then took the following action declaring Director Whitaker duly appointed.

MOTION NO. 21-4
DECLARING BRUCE WHITAKER DULY APPOINTED

Upon motion by Director Bilodeau, seconded by Director Green and carried [9-0], Bruce Whitaker is declared a duly appointed member of the OCWD Board representing Division 10 (City of Fullerton).

Ayes: Bilodeau, Brandman, Green, Mendoza, Rowe, Sheldon, Ta, Whitaker, Yoh

Absent: Nguyen

VISITOR PARTICIPATION

Glenn Brooks advised that he sent a weblink to the Board re an article in the Yale Environment 360 Magazine dated January 14, 2021 titled, "*Scientists Say they have Solved Desalination Mystery, Improving Efficiency*" which explains how reverse osmosis membranes work to remove salt and other chemicals from water, a breakthrough which could help make the process more efficient and cheaper. He noted that he felt this information would be valuable to OCWD. He also suggested a community committee to review how this could impact the District's basin management might be helpful.

Mike Elliott requested a response to his question at the December 2 and January 6 Board meetings about the value to the OCWD ratepayers of OCWD's \$5,000 contribution to the CalDesal organization. He suggested that the Brown Act allows a Board response to comments made by members of the public on items not on the Agenda and also requested that an item be added to a future Agenda to allow the Board to address this question.

Scott Smith also requested an answer to Mr. Elliott's question about the CalDesal contribution, noting that he too feels it is not in the best interests of the ratepayers. He stressed that with the changing dynamics in desalination it does not make sense to lock in a long-term public/private partnership.

1. Continued Public Hearing to Consider Increasing Directors' Compensation

President Sheldon resumed the Public Hearing that was tabled at the January 6 Board meeting until this date and time to consider adoption of an Ordinance increasing the Directors' compensation from \$300 to \$315 per day of service, up to a maximum of ten days per month. Director Yoh urged the Board not to support an increase at this time noting that the pandemic has caused a great deal of suffering. There being no other persons wishing to address the Board, President Sheldon declared the hearing closed and Director Bilodeau moved the recommended action to increase the Directors' compensation to \$315. The motion was seconded by Director Brandman but failed due to lack of support by a vote of 5-4-0-1. (Ayes: Bilodeau, Brandman,

Mendoza, Rowe. Noes: Green, Sheldon, Ta, Whitaker, Yoh. Abstain: None. Absent: Nguyen

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Ta and carried [9-0] as follows.

Ayes: Bilodeau, Brandman, Green, Mendoza, Rowe, Sheldon, Ta, Whitaker, Yoh

Absent: Nguyen

2. Approval of Cash Disbursements

MOTION NO. 21-5
APPROVING CASH DISBURSEMENTS

Payment of bills for the period of December 31, 2020 through January 13, 2021 in the total amount of \$7,304,327.97 is ratified and approved.

3. Approval of Minutes of Board Meetings

MOTION NO. 21-6
APPROVING MINUTES OF BOARD OF DIRECTORS MEETINGS

The Minutes of the Board of Directors meetings held December 2 and December 16, 2020 are hereby approved as presented.

ITEM RECOMMENDED FOR APPROVAL AT COMMUNICATION AND LEGISLATIVE LIAISON COMMITTEE MEETING HELD JANUARY 7, 2021

4. 2021 Youth Environmental Summit Service Agreement

RESOLUTION NO. 21-1-2
APPROVING 2021 YOUTH ENVIRONMENTAL SUMMIT SERVICE AGREEMENT

RESOLVED, that the Agreement with Empire Entertainment is hereby approved for an amount not to exceed \$155,049 to provide logistical and technical support, coordination and execution of the 2021 Youth Environmental Summit, and, upon approval as to form by General Counsel, its execution by the District officers is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING
HELD JANUARY 13, 2021

5. Accept Completion of Contract PB-2020-2: Construction of Prado Basin Monitoring Wells

RESOLUTION NO. 21-1-3
ACCEPTING COMPLETION OF CONTRACT NO. PB-2020-2, CONSTRUCTION OF
PRADO BASIN MONITORING WELLS (ABC LIOVIN DRILLING INC.)

WHEREAS, the District staff has submitted its report that ABC Liovin Drilling, Inc. has completed work under Contract No. PB-2020-2, Construction of Prado Basin Monitoring Wells; and

WHEREAS, the District staff has advised of issuance of Change Order No. 1 to such Contract for a decrease in the contract price of \$9,180; and

WHEREAS, staff has recommended that the District accept completion of said work and that a Notice of Completion be filed for recordation and the balance of payment be made, pursuant to the terms and conditions of such contract;

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

Section 1: Issuance of Change Order No. 1 to such Contract is hereby ratified.

Section 2: Work under such Contract is accepted as complete, and the District staff is authorized and directed to execute a Notice of Completion and record said Notice in the Office of the County Recorder.

Section 3: Upon expiration of the interim lien period, providing no liens have been filed, payment of the balance due under such contract shall be made.

6. Agreement with DDB Engineering for Preparation of 2020 GWRS Annual Report

RESOLUTION NO. 21-1-4
APPROVING AGREEMENT WITH DDB ENGINEERING FOR PREPARATION OF
2020 GWRS ANNUAL REPORT

RESOLVED, that issuance of an Agreement to DDB Engineering Inc. is authorized for an amount not to exceed \$55,000 to provide consulting services for the preparation of the calendar year 2020 GWRS Annual Report; and, upon approval as to form by General Counsel, its execution by the District officers is authorized.

7. Purchase Order to Qualtrax for Purchase and Setup of Compliance Management Software

RESOLUTION NO. 21-1-5
APPROVING PURCHASE ORDER TO QUALTRAX FOR PURCHASE AND SETUP OF
COMPLIANCE MANAGEMENT SOFTWARE

RESOLVED, that issuance of a Purchase Order is authorized to Qualtrax in the amount of \$8,000 for the initial setup fee for the installation of Qualtrax software for 45 users within both the Laboratory and Water Quality Departments.

8. Sunset Gap Seawater Intrusion Investigation: Agreement with Engeo for Construction Management Services

RESOLUTION NO. 21-1-6
AUTHORIZING AGREEMENT WITH ENGEO FOR CONSTRUCTION MANAGEMENT
SERVICES FOR SUNSET GAP SEAWATER INTRUSION MONITORING WELLS

RESOLVED, that issuance of an agreement to ENGEO is authorized for construction management services during the installation of additional Sunset Gap monitoring wells for an amount not to exceed \$198,347; and, upon approval as to form by General Counsel, its execution by the District officers is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE
ISSUES COMMITTEE MEETING HELD JANUARY 14, 2021

9. Monthly Cash Control Report

MOTION NO. 21-7
RECEIVING AND FILING SUMMARY CASH AND
CASH EQUIVALENTS CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated December 31, 2020 is hereby received and filed.

10. Investment Portfolio Holdings Report

MOTION NO. 21-8
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDING REPORTS

The Investment Portfolio Holdings Reports dated December 31, 2020 are hereby received and filed.

11. Ultraviolet Light (UV) Equipment Supply

RESOLUTION NO. 21-1-7
APPROVING PURCHASE ORDER TO DC FROST ASSOCIATES FOR
ULTRAVIOLET LAMPS

RESOLVED, that issuance of a Purchase Order is authorized to DC Frost Associates for the purchase of 1,080 Ultraviolet Light (UV) lamps in the amount of \$214,133.

12. Amendment to OCWD-SAWPA Agreement for Proposition 1 Grant Funding of Watershed Education and Field Trip Program for Elementary Students in Disadvantaged Communities

RESOLUTION NO. 21-1-8
APPROVING AMENDMENT TO AGREEMENT WITH SAWPA FOR 2016 PROPOSITION
1 INTEGRATED REGIONAL WATER MANAGEMENT GRANT FUNDING OF
WATERSHED EDUCATION AND FIELD TRIP PROGRAM FOR ELEMENTARY
STUDENTS IN DISADVANTAGED COMMUNITIES

WHEREAS, OCWD was awarded a 2016 Proposition 1 Integrated Regional Water Management Disadvantaged Communities Involvement (DCI) grant in the amount of \$100,000 to fund a new watershed education and field trip program for elementary school students in disadvantaged communities (DACs); and

WHEREAS, pursuant to Resolution No. 20-2-25 adopted February 19, 2020, OCWD entered into the Proposition 1 Integrated Regional Water Management Disadvantaged Community Involvement Program Technical Assistance Sub-Grant Agreement with SAWPA for the Watershed Education and Field Trip Program for Disadvantaged Community Elementary Students, for a term ending December 31, 2020; and

WHEREAS, the Administration and Finance Issues Committee has recommended extension of such Agreement through March 31, 2021;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 1 as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District General Manager is authorized.

13. BPP and RA Estimates for Fiscal Year 2021-22

MOTION NO. 21-9
AUTHORIZING STAFF TO PROVIDE THE FISCAL YEAR 2021-22
REPLENISHMENT ASSESSMENT AND BASIN PRODUCTION PERCENTAGE
ESTIMATES TO THE GROUNDWATER PRODUCERS

Staff is authorized to provide the Fiscal Year 2021-22 Replenishment Assessment (RA) and Basin Production Percentage (BPP) estimates to the Groundwater Producers as follows: RA of \$509/acre-foot and BPP of 77%.

MATTERS FOR CONSIDERATION

14. Fullerton Kimberly Well 1A PFAS Water Treatment Plant: Evoqua Water Technologies LLC Resin Agreement

Director of Engineering Chris Olsen advised that proposals for the initial ion-exchange resin media fill for the PFAS treatment at the City of Fullerton's KIM1A well were requested from vendors of the three ion-exchange resin products that lasted the longest prior to breakthrough in the District's PFAS pilot treatment system. Based on an evaluation of pricing and performance, he stated staff recommends executing a resin purchase agreement with Evoqua Water Technologies in the amount of \$452,000. The Board then took the following action. (Director Bilodeau left the meeting prior to the vote on this item.)

Upon motion by Director Whitaker, seconded by Director Ta, the following resolution was unanimously carried [8-0].

RESOLUTION NO. 21-1-9
APPROVING RESIN PURCHASE AGREEMENT WITH EVOQUA FOR CITY OF
FULLERTON PFAS TREATMENT AT CITY OF FULLERTON WELL KIM1A

RESOLVED, that an agreement with Evoqua Water Technologies, LLC is authorized for an amount not to exceed \$452,000 for Ion-Exchange Resin Media and Installation at the City of Fullerton Well KIM1A; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Ayes: Brandman, Green, Mendoza, Rowe, Sheldon, Ta, Whitaker, Yoh

Absent: Bilodeau, Nguyen

15. Serrano Water District PFAS Water Treatment Plant: Evoqua Water Technologies LLC Resin Agreement

Mr. Olsen advised that a proposal for the initial ion-exchange resin media fill for PFAS treatment at the Serrano Water District has been received. He stated that staff recommends executing a resin purchase agreement with Evoqua Water Technologies.

Upon motion by Director Whitaker, seconded by Director Ta, the following resolution was unanimously carried [8-0].

Ayes: Brandman, Green, Mendoza, Rowe, Sheldon, Ta, Whitaker, Yoh

Absent: Bilodeau, Nguyen

RESOLUTION NO. 21-1-10
APPROVING PURCHASE AGREEMENT WITH EVOQUA FOR RESIN EXCHANGE
MEDIA AND INSTALLATION AT SERRANO WATER DISTRICT

RESOLVED, that an Agreement with Evoqua Water Technologies, LLC is authorized for an amount not to exceed \$439,417 for Ion-Exchange Resin Media and Installation at Serrano Water District; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

INFORMATIONAL ITEMS

16. PFAS Update

Executive Director Jason Dadakis updated the Board on recent state and federal regulatory PFAS activity. He stated last week the State Office of Environmental Health Hazard Assessment released a drinking water notification level recommendation for another PFAS compound, Perfluorobutanesulfonic acid (PFBS), at 500 parts per trillion. Based upon past testing, he stated staff does not feel this will be a regulatory issue for the Producers or the District's treatment program. Mr. Dadakis indicated it is staff's understanding that the State Division of Drinking water is going to accept this recommendation and is currently preparing the required 30-day public notice. With regard to federal activities, he stated there has been activity on PFAS from the EPA in the final days of the current administration. He stated they released a pre-production publication version of a positive regulatory determination to regulate PFOA and PFOS as drinking water contaminants at the federal level, noting it would become official once it is in the Federal Register.

17. Water Resources Summary

There was no discussion of this item.

18. Santa Ana Watershed Project Authority Commission Activities

Director Rowe update the Board on recent SAWPA activities, noting that Jeff Mosher was selected as its new General Manager.

19. 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.

- January 07 - Communication and Legislative Liaison Committee
- January 11 - GWRS Steering Committee
- January 13 - Water Issues Committee
- January 14 - Administration and Finance Issues Committee

20. Verbal Reports

President Sheldon reported he is working on his Committee and Outside Agency Assignments and encouraged Directors to contact him regarding their preferences. Director Rowe advised that he is concerned that the District is not capturing optimum amounts of water from winter storm flows and stated he prepared an analysis of Santa Ana River (SAR) flows. He stated he is interested in reviewing the flow rates of the SAR and the District-owned diversion structures to find ways to improve the situation.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 6:14 p.m.

Stephen R. Sheldon

Stephen R. Sheldon, President

Janice Durant

Janice Durant, District Secretary