

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
October 15, 2014, 5:30 p.m.

President Dewane called to order the October 15, 2014 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 Secretary called the roll and reported a quorum as follows.

Directors

Philip Anthony
Kathryn Barr
Denis Bilodeau (arrived 6:05 p.m.)
Shawn Dewane
Jan Flory
Cathy Green
Vincent Sarmiento (arrived 5:34 p.m.)
Stephen Sheldon
Harry Sidhu
Roger Yoh (not present)

Staff

John Kennedy, Assistant General Manager
Joel Kuperberg, General Counsel
Janice Durant, District Secretary
Gina Ayala, Bill Hunt, Vickie Nguyen,
Audrey Perry, Eleanor Torres, Patrick Versluis,
Greg Woodside, Nira Yamachika

Others:

Ric Collett – Yorba Linda Water District
Kelly Rowe – Water Resources Consultant
Jim Atkinson, Paul Shoenberger, Ethan Temianka – Mesa Water District
Ken Vecchiarelli - Golden State Water Company
Brian Ragland – City of Huntington Beach
Don Calkins – City of Anaheim
Peer Swan, Paul Weghorst – Irvine Ranch Water District
Jake Holden – Black & Veatch
Nabil Saba – City of Santa Ana
Betsy Eglash – Brady
Wendy Leece – City of Costa Mesa
Anita Narayara
John Earl – Surf City Voice
Dave Hamilton – R4RD

VISITOR PARTICIPATION

There were no visitors wishing to address the Board.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Anthony, seconded by Director Barr and carried [7-0] as follows.

Ayes: Anthony, Barr, Dewane, Green, Flory, Sheldon, Sidhu
Absent: Bilodeau, Sarmiento, Yoh

1. Approval of Cash Disbursements

MOTION NO. 14-148
APPROVING CASH DISBURSEMENTS

Payment of bills for the period September 25, 2014 through October 8, 2014 in the total amount of \$2,446,027.17 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 14-149
APPROVING MINUTES OF BOARD MEETINGS

The minutes of the Board of Directors meeting held September 17, 2014 are approved as amended to show Director Sheldon voting yes on the Water Bond.

3. General Manager Compensation

MOTION NO. 14-150
APPROVING COST OF LIVING INCREASE FOR GENERAL MANAGER

A cost-of-living increase of 2.0% for General Manager Markus effective retroactively to July 1, 2014, and a \$23,000 contribution into his 457 retirement account are hereby approved.

4. ISDOC Executive Committee Election

RESOLUTION NO. 14-151
SUPPORTING ISDOC NOMINATING COMMITTEE'S SLATE OF CANDIDATES

OCWD hereby supports the Independent Special Districts of Orange County ISDOC Nominating Committee's recommended slate of candidates for the ISDOC Executive Committee; and the Board President is authorized to cast the OCWD ballot.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATIONS
AND LEGISLATIVE LIAISON MEETING HELD OCTOBER 2

5. Additional Public Outreach Support to Comply with the National Contingency Plan (NCP)

MOTION NO. 14-152
AUTHORIZING ADDITIONAL PUBLIC OUTREACH SUPPORT TO COMPLY WITH THE
NATIONAL CONTINGENCY PLAN (NCP)

An additional \$90,000 (\$9,000 per month), plus reasonable expenses, is authorized to Cerrell Associates, from October 2014 to June 30, 2014, to support Public Affairs and Hydrogeology staff in implementing required public outreach for groundwater contamination under the National Contingency Plan.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD OCTOBER 8

- 6. Agreement to Radkem, Inc. for Study Re: Chloramine and Chlorine Radical Chemistry in the Advanced Oxidation Process (AOP) Treatment of Wastewater

RESOLUTION NO. 14-10-131
 AUTHORIZING AGREEMENT TO RADKEM, INC. FOR STUDY RE CHLORAMINE AND CHLORINE RADICAL CHEMISTRY IN THE ADVANCED OXIDATION PROCESS (AOP) TREATMENT OF WASTEWATER

RESOLVED, that issuance of an Agreement is authorized to RadKEM, Inc. for an amount not to exceed \$25,000 for the collaborative research project titled, "*Impact of Chloramine and Chlorine Radical Chemistry in AOP Treatment of Wastewater,*" and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

- 7. Agreement to Layne Christensen Company for Test Pumping of Bessy Well at Warner Basin

RESOLUTION NO. 14-10-132
 AUTHORIZING AGREEMENT TO LAYNE CHRISTENSEN COMPANY FOR TEST PUMPING OF BESSY WELL AT WARNER BASIN

RESOLVED, that issuance of Agreement to Layne Christensen Company is authorized for an amount not to exceed \$16,000 for test pumping services on the Bessy Well at Warner Basin; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

- 8. Destruction of Well OCWD-BS02 and Construction of Replacement Monitoring Wells OCWD-BS18B and Issuance of Request for Quotations for the Destruction and Replacement of Wells

MOTION NO. 14-153
 AUTHORIZING DESTRUCTION OF WELL OCWD-BS02 AND CONSTRUCTION OF REPLACEMENT MONITORING WELLS OCWD-BS18B AND APPROVE ISSUANCE OF REQUEST FOR QUOTATIONS FOR THE DESTRUCTION AND REPLACEMENT OF WELLS

Destruction of monitoring well OCWD-BS02 and construction of replacement monitoring well OCWD-BS18B is authorized for an amount not to exceed \$36,700; and filing of a Categorical Exemption for the construction of one monitoring well in compliance with the California Environmental Quality Act guidelines is authorized; and issuance of a Request for Quotations for destruction of monitoring well OCWD-BS02 and construction of replacement monitoring well OCWD-BS18B is authorized.

9. Agreement to Tropical Plaza Nursery for Restoration Planting Adjacent to Five Coves Basin

RESOLUTION NO. 14-10-133
AUTHORIZING AGREEMENT TO TROPICAL PLAZA NURSERY FOR
RESTORATION PLANTING ADJACENT TO FIVE COVES BASIN

RESOLVED, that an Agreement is authorized to Tropical Plaza Nursery Inc. for an amount not to exceed \$28,761 for materials and hourly work associated with planting and irrigation of a mitigation site on the west edge of Five Coves Basin in Anaheim; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

10. Agreement to G.B. Cooke, Inc. for Repair of Five Coves Inflatable Dam

RESOLUTION NO. 14-10-134
AUTHORIZING AGREEMENT TO G.B. COOKE, INC. FOR
REPAIR OF FIVE COVES INFLATABLE DAM

RESOLVED, that issuance of an Agreement is authorized to G.B. Cooke, Inc. for an amount not to exceed \$48,070 for the repair of the Five Coves Inflatable Dam.

11. Amendment to Agreement with Black & Veatch for Additional Design Services During Construction for GWRS Initial Expansion Project

RESOLUTION NO. 14-10-135
AUTHORIZING AMENDMENT TO AGREEMENT WITH BLACK & VEATCH FOR
ADDITIONAL DESIGN SERVICES DURING CONSTRUCTION FOR THE
GWRS INITIAL EXPANSION PROJECT

WHEREAS, the Water Issues committee of this Board has recommended issuance of Amendment No. 6 to Agreement No. 0567 with Black & Veatch for an amount not to exceed \$293,900 for additional services during construction required for the GWRS Initial Expansion project;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby authorize issuance of Amendment No. 6 to Agreement No. 0567 with Black & Veatch for an amount not to exceed \$293,900 for additional services during construction required for the GWRS Initial Expansion project;

12. Amendment to Agreement with Parsons for Additional Construction Management Services for GWRS Initial Expansion Project

RESOLUTION NO. 14-10-136
AUTHORIZING AMENDMENT TO AGREEMENT WITH PARSONS FOR
ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES FOR THE
GWRS INITIAL EXPANSION PROJECT

WHEREAS, pursuant to Resolution No. 11-5-64, adopted May 4, 2011, as amended, OCWD authorized Agreement No. 0744 with Parsons for Construction Management Services for the GWRS Initial Expansion; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 4 to such Agreement with Parsons for an amount not to exceed \$277,745 for additional construction management services required for the GWRS Initial Expansion project;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 4 to the Agreement with Parsons as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

13. Proposition 84 Grant Funding Contract for Prado Sediment Management Demonstration Project with Santa Ana Watershed Project Authority
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RESOLUTION NO. 14-10-137

AUTHORIZING PROPOSITION 84 GRANT FUNDING CONTRACT FOR PRADO SEDIMENT
MANAGEMENT DEMONSTRATION PROJECT
WITH SANTA ANA WATERSHED PROJECT AUTHORITY

RESOLVED, that the Proposition 84 Integrated Regional Water Management Round 2 Implementation Grant Funding Contract with Santa Ana Watershed Project Authority is authorized for a reimbursement amount not to exceed \$750,000 for the Prado Sediment Management Demonstration Project; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

14. Annual USGS Santa Ana River Stream Gauging Joint Funding Agreement

RESOLUTION NO. 14-10-138

APPROVING CONTINUED JOINT FUNDING AGREEMENT
WITH USGS FOR SANTA ANA RIVER WATER STREAM GAUGING

WHEREAS, pursuant to Resolution No. 799 adopted November 20, 1963, OCWD entered into a cooperative program agreement with the U.S. Department of the Interior Geological Survey (USGS) to conduct stream gauging services along the Santa Ana River; and

WHEREAS, such program has remained in force, with modifications, since its inception pursuant to actions taken by this Board; and

WHEREAS, the District staff has recommended approval of continuance of such cooperative program under the USGS Joint Funding Agreement for Water Resources Investigations to conduct stream gauging of the Santa Ana River below Prado Dam and Santiago Creek at Santa Ana for the period November 1, 2014 to October 31, 2015 at a total cost of \$30,250 to be funded jointly as follows: \$9,300 by USGS and \$20,950 by OCWD;

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

- 15. Alamitos Barrier Improvement Project: Access Agreement to Los Angeles Department of Water & Power, and Agreement to CCR for Community Outreach Support

RESOLUTION NO. 14-10-139
 APPROVING ACCESS LICENSE AGREEMENT WITH LOS ANGELES DEPARTMENT OF
 WATER & POWER AND AGREEMENT WITH CONSTRUCTIVE COMMUNITY RELATIONS
 FOR COMMUNITY OUTREACH SUPPORT
 FOR THE ALAMITOS BARRIER IMPROVEMENT PROJECT

RESOLVED, that the following agreements necessary to construct the Alamitos Barrier Improvement Project are authorized and, upon approval as to form by District General Counsel, their execution by the District officers is authorized:

- 1) License Agreement for Construction Staging and Ingress and Egress (P-86836) with the Los Angeles Department of Water and Power for access to the Alamitos Barrier Improvement Project that includes annual rental costs for a temporary staging area, including two years rental for \$61,336, a refundable Security Deposit of \$32,987, and a refundable Restoration Deposit of \$32,987;
 - 2) Services Agreement with Constructive Community Relations, LLC for an amount not to exceed \$30,000 for community outreach support on the Alamitos Barrier Improvement Project.
- 16. Agreements to Anaheim for Modification of Electrical Poles and Guy Systems at La Palma Recharge Basin

RESOLUTION NO. 14-10-140
 APPROVING AGREEMENTS WITH ANAHEIM FOR MODIFICATION OF ELECTRICAL
 POLES AND GUY SYSTEMS AT LA PALMA RECHARGE BASIN

WHEREAS, the District staff has advised that the relocation of three wooden power poles and two guy anchor systems on the site of the future La Palma Recharge Basin would increase the basin’s wetted area by approximately 8,000 square feet (0.18 acres) and that this percolation area is expected to provide an additional 670 acre feet per year of recharge capacity; and

WHEREAS, the Water Issues Committee has recommended the General Manager be authorized to execute a Letter Agreement and payment of \$80,000 to the City of Anaheim for site investigation and design of modifications for power poles and guy anchor systems on the La Palma Recharge Basin property; and;

WHEREAS, such Committee has further recommended the General Manager be authorized to execute an Agreement with the City of Anaheim for an amount not to exceed \$318,000 for construction required for relocation of power poles and guy anchor systems at La Palma Basin;

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

Section 1: The General Manager is authorized to execute a Letter Agreement and payment of \$80,000 to the City of Anaheim for site investigation and design of modifications for power poles and guy anchor systems on the La Palma Recharge Basin property.

Section 2: The General Manager is authorized to execute an Agreement with the City of Anaheim for an amount not to exceed \$318,000 for construction required for relocation of power poles and guy anchor systems at the La Palma Recharge Basin.

17. Letter of Intent to Reimburse US Army Corps of Engineers to Process Planned Deviation Request for Prado Dam Flood Season Buffer Pool

RESOLUTION NO. 14-10-141
APPROVING LETTER OF INTENT TO REIMBURSE US ARMY CORPS OF ENGINEERS
TO PROCESS PLANNED DEVIATION REQUEST FOR
PRADO DAM FLOOD SEASON BUFFER POOL

RESOLVED, that the Board President is authorized to execute a Letter of Intent to reimburse the U.S. Army Corps of Engineers for costs not to exceed \$200,000 and process a planned deviation request to temporarily increase the Prado Dam flood season buffer pool from elevation 498 feet to 505 feet.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD OCTOBER 9

18. Monthly Cash Control Report

MOTION NO. 14-154
RECEIVING AND FILING SUMMARY CASH AND
CASH EQUIVALENTS CONTROL REPORT

The Summary Cash and Cash Equivalents Control Report dated September 30, 2014 is hereby received and filed.

19. Oracle Database Software Update License And Support Agreement Renewal

RESOLUTION NO. 14-10-142
APPROVING RENEWAL ORACLE DATABASE SOFTWARE UPDATE LICENSE
AND SUPPORT AGREEMENT

RESOLVED, that renewal of the Oracle Database Enterprise Edition Software Update and License Support Agreement is authorized in the amount of \$ 56,688 for system updates commencing November 24, 2014 through November 23, 2015; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

20. Chemical Contracts for Water Treatment Facilities

RESOLUTION NO. 14-10-143
AUTHORIZING AWARD OF CHEMICAL CONTRACTS FOR
WATER TREATMENT FACILITIES

RESOLVED, that issuance of Agreements is authorized to vendors for the purchase of water treatment chemicals as follows:

- 1) U. S. Peroxide, LLC for supply and delivery of hydrogen peroxide at \$545.90/ton with a 3% 10 net 30 terms discount, to commence on November 1, 2014, for a period of one year with the option to renew for an additional year;
- 2) Brenntag Pacific, Inc. for supply and delivery of citric acid, at \$924/ton with a 3% 10 net 30 terms discount to commence on November 1, 2014, for a period of one year, with the option to renew for one year;
- 3) Olin Corporation dba Olin Chlor Alkali Products, for supply and delivery of sodium hypochlorite, at \$0.526/gal, to commence on November 1, 2014, for a period of one year, with the option to renew for one year;
- 4) Univar USA, Inc. for supply and delivery of sulfuric acid, at \$154/ton, with a 2% 10 net 30 terms discount, to commence on November 1, 2014, for a period of one year, with the option to renew for one year; and
- 5) JCI Jones chemicals, Inc. for supply and delivery of caustic soda, at \$246/ton, to commence on November 1, 2014, for a period of one year, with the option to renew for one year.

21. Investment Portfolio Holdings Report

MOTION NO. 14-155
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORT

The Investment Portfolio Holdings Report dated September 30, 2014 is received and filed.

22. Independent Auditors Report for Fiscal Year Ended June 30, 2014

MOTION NO. 14-156
RECEIVING AND FILING INDEPENDENT AUDITORS REPORT FOR
FISCAL YEAR ENDED JUNE 30, 2014

The Audit Reports prepared by Lance, Soll and Lunghard, LLP for the period ended June 30, 2014 are hereby received and filed.

23. Budget to Actual Report For Fiscal Year 2013-14

MOTION NO. 14-157
RECEIVING AND FILING BUDGET TO ACTUAL REPORT FOR
FISCAL YEAR 2013-14

The Budget to Actual Report for Fiscal Year 2013-14 ending June 30, 2014 is hereby received and filed.

24. Ratio Analysis for FY 2013-2014 - Fourth Quarter

MOTION NO. 14-158
RECEIVING AND FILING RATIO ANALYSIS FOR FY 2013-2014 - FOURTH QUARTER

The Ratio Analysis Report for FY 2013-14 Fourth Quarter ending June 30, 2014 is hereby received and filed.

25. State Board of Equalization Sales and Use Tax Audit

MOTION NO. 14-159
RECEIVING AND FILING STATE BOARD OF EQUALIZATION
SALES AND USE TAX AUDIT

The Audit Report dated October 1, 2014 is hereby received and filed, and payment to the State Board of Equalization of \$972 for use taxes is authorized; and collection of funds from vendors that failed to pay use tax to the State of California is authorized.

Director Sarmiento arrived at 5:34 p.m. after approval of the Consent Calendar.

MATTERS FOR CONSIDERATION

26. Sustainable Groundwater Management Act: Part 1, Managing Groundwater Outside District Boundaries

Executive Director John Kennedy reviewed the *Sustainable Groundwater Management Act* that deals with managing groundwater basins outside of the District boundaries. He stated the legislation requires that all high and medium priority basins designated by the Department of Water Resources (DWR) be managed, noting that the OCWD groundwater basin has been identified as a medium priority basin. Mr. Kennedy reviewed the current boundaries and presented options for consideration by the Board. He recalled that the Water Issues Committee discussed adjustments along the OCWD perimeter and directed staff to identify steps for becoming the groundwater manager for areas within DWR Bulletin 118 that may match up with hydrologic conditions and to contact stakeholders in those areas. The Board then took the following action.

MOTION NO. 14-160
DIRECTING STAFF TO IDENTIFY STEPS FOR MANAGING GROUNDWATER OUTSIDE OF
DISTRICT BOUNDARIES (SUSTAINABLE GROUNDWATER MANAGEMENT ACT)

Upon motion by Director Anthony, seconded by Director Barr and carried [8-0], staff is directed to 1) Identify steps for OCWD to become the groundwater manager in areas outside OCWD boundaries but inside the California Department of Water Resources Bulletin 118 boundary of Basin 8-1, Coastal Plan of Orange County Groundwater Basin; and, 2) Reach out to stakeholders within these areas regarding the requirements of the Sustainable Groundwater Management Act

Ayes: Anthony, Barr, Dewane, Green, Flory, Sarmiento, Sheldon, Sidhu
Absent: Bilodeau, Yoh

Director Bilodeau arrived at 6:05 p.m. at the conclusion of the following discussion.

27. Groundwater Clean-Up Projects NCP Approach

Mr. Kennedy recalled that the Administration and Finance Committee directed staff to prepare two press releases representing two different approaches in announcing the District's commitment to use the National Contingency Plan (NCP) approach in remediating groundwater contamination. He stated the first release is a joint release with the Orange County Business Council (OCBC) and the second release is from OCWD. Mr. Kennedy pointed out that a revised OCWD press release was distributed prior to tonight's meeting that contains edits requested by the OCBC, and noted that the Board had previously discussed issuing one joint release.

The Board weighed the pros and cons of issuing a joint statement versus two separate statements. Director Sarmiento advised that the Groundwater Basin Contamination ad hoc Committee met to discuss the groundwater cleanup effort and the NCP process, and that the OCBC expressed a desire to do an Opinion Editorial (Op Ed) rather than a press release. He stressed that the intention and spirit of the conversations was to do something jointly to move the message forward that the two agencies are working collaboratively. Director Barr suggested two letters be released, noting that the joint letter puts the OCBC in first position when OCWD should be taking the lead. She stated the original intent of the Committee recommendation was that the OCWD release include other water industry supporters of this action. Director Dewane stated a joint statement binds together the Board and the business community in a single purpose to resolve important matters that have a timely, necessary schedule of execution. He stressed that by issuing two different statements OCWD has no control over the message being sent which leaves open the possibility of a misunderstanding. Director Dewane stressed that the cleanup projects need to get underway to address the pollution in an effective way.

Director Sheldon questioned OCBC's official role in the NCP process, and inquired if they represent any particular property owners in the contamination cleanup, or if the responsible parties in the OCWD litigation are paying OCBC to act as their advocate. General Counsel Kuperberg responded that the OCBC is acting as an advocate on behalf of a number of businesses that have been adverse to OCWD in at least two of the three groundwater contamination cases, noting he does not know the nature and extent of the advocacy and what role they serve. Director Sarmiento noted that OCWD has a mutually beneficial relationship with OCBC and that some of their member agencies are named litigants. Several members of the Board urged issuance of a joint statement and a motion was made by Director Dewane, seconded by Director Anthony for issuance of a joint statement. This motion failed due to lack of support. (Ayes: Anthony, Dewane, Flory, Green, Sarmiento - Noes: Barr, Green, Sheldon). After further discussion, Director Anthony suggested the Board issue a joint letter and follow it up with several other releases and letters that include other supporters. Director Dewane then suggested the Board authorize a joint letter with OCBC, the content of which and the order of which names would appear to be negotiated. Director Sheldon then advised that President Dewane's name cannot be associated with the Op Ed piece as the OC Register Editorial Board has a moratorium on Op Ed pieces from persons running for office during this election period. The Board then took the following action.

MOTION NO. 14-161
AUTHORIZING ISSUANCE OF JOINT STATEMENT WITH OCBC REGARDING THE
DISTRICT'S COMMITMENT TO USE THE NCP APPROACH IN REMEDIATING
GROUNDWATER CONTAMINATION

Upon motion by Director Dewane, seconded by Director Anthony and carried with Director Barr voting "No" and Director Bilodeau abstaining [7-1-1], issuance of a joint statement with the Orange County Business Council (OCBC), the content of which will be negotiated as well as who's name will appear first, is hereby authorized stating the District's commitment to use the National Contingency Plan (NCP) approach in remediating groundwater contamination.

Ayes: Anthony, Dewane, Green, Flory, Sarmiento, Sheldon, Sidhu

Noes: Barr

Abstain: Bilodeau

Absent: Yoh

INFORMATIONAL ITEMS

28. Water Resources Report – September 2014

John Kennedy reported that OCWD wanted 180 cfs from MWD but is only getting about 125 cfs because MWD is having elevation issues at Lake Matthews.

29. Santa Ana Watershed Project Authority Activities

Director Anthony noted that SAWPA took a position of support on the Water Bond. He also announced that at the recent OWOW conference Richard Zembal was awarded the Loren Hayes Award for Visionary Wildlife Management.

30. Groundwater Producers Meeting Minutes – October 10, 2014

Executive Director John Kennedy updated the Board on the recent Groundwater Producers meetings in which David Moore of Clean Energy Capital reviewed his report on the Poseidon Desalination Project. He stated the GWP comments on the report are summarized in the meeting notes contained in tonight's packet, and he reviewed the tentative schedule for proceeding with Poseidon discussions. He stated the GWP have asked to give comments through the end of November and the study would be finalized in December, after which a joint workshop with the GWP would take place on January 7 to go over the report and/or the entire project. Poseidon representative Scott Maloni stated that he was operating under the impression that the Clean Energy report would circulate for 45-60 days and come back to the Board in late November for determination on the next steps. He stated the determination is necessary for Poseidon before they resubmit their application to the Coastal Commission. The Board directed staff to meet with Poseidon and get a quicker schedule together. Mr. Maloni stated he would prepare a sequence of events to give the Board an idea of what needs to happen.

31. COMMITTEE REPORTS

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

- October 2 – Communication/Legislative Liaison Committee
- October 8 – Water Issues Committee
- October 9 – Administration/Finance Issues Committee

32. VERBAL REPORTS

Director Sheldon noted that at the September 17 Board meeting he expressed concern that there might not be enough money in the Water Bond for actual new water supplies and therefore abstained on the vote to support the Bond. He requested the minutes be amended to show his support for the Water Bond. The following action was taken to reconsider the item and allow amendment of the Minutes.

MOTION NO 14-162

**RECONSIDERING APPROVAL OF MINUTES ON TONIGHT'S CONSENT CALENDAR AND
AMENDING SEPTEMBER 17 BOARD OF DIRECTORS MEETING MINUTES**

Upon motion by Director Sheldon, seconded by Director Anthony and carried [9-0], reconsideration of the September 17 Board minutes, approved earlier tonight on the Consent Calendar is hereby authorized, and amendment of the minutes of the September 17, 2014 Board of Directors meeting is hereby authorized to reflect Director Sheldon's support of the Water Bond.

Ayes: Anthony, Barr, Bilodeau, Dewane, Green, Flory, Sarmiento, Sheldon, Sidhu

Absent: Yoh

ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 6:18 p.m. as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

[Paragraph (1) of subdivision (d) of Section 54956.9]: Two (2) Cases

OCWD v. Northrop Corporation, et al (North Basin VOC Litigation) Superior Court Case No. 04CC00715; and

OCWD v. Sabic Innovative plastics, LLC, et al (South Basin Litigation) Superior Court Case No. 03CC 00078246

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 6:30 p.m. whereupon General Counsel Kuperberg announced that the Board took the following actions in Closed Session.

1) RESOLUTION NO. CS-14-10-1

APPROVING PAYMENT OF \$68,142.92 REPRESENTING THE COST BILL AWARDED BY THE COURT TO TELEX IN *OCWD V. NORTHROP CORPORATION, ET AL* NORTH BASIN CASE

Ayes: Anthony, Barr, Bilodeau, Dewane, Green, Flory, Sarmiento, Sheldon, Sidhu

Absent: Yoh

2) RESOLUTION NO. CS-14-10-2

APPROVING AMENDMENT TO SETTLEMENT AGREEMENT WITH TEXTRON IN OCWD V.
SABIC INNOVATIVE PLASTICS, LLC, ET AL (SOUTH BASIN CASE)

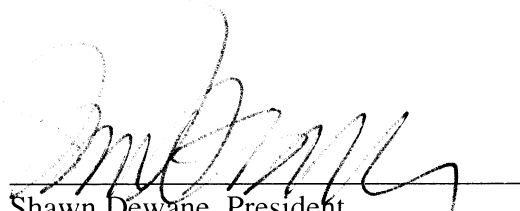
Ayes: Anthony, Barr, Bilodeau, Dewane, Green, Flory, Sarmiento, Sidhu

Noes: Sheldon

Absent Yoh

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:31 p.m



Shawn Dewane, President



Janice Durant, District Secretary