

MINUTES OF MEETING  
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT  
October 16, 2019, 5:30 p.m.

President Sarmiento called to order the October 16, 2019 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. in the Boardroom at the District office. Director Yoh participated via teleconference from: Hilton Arden West Lobby, 2200 Harvard Street, Sacramento. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows.

Directors

Denis Bilodeau  
Jordan Brandman  
Cathy Green  
Dina Nguyen (absent)  
Kelly Rowe  
Vicente Sarmiento  
Stephen Sheldon (absent)  
Tri Ta  
Roger Yoh (via teleconference)  
Ahmad Zahra

Staff

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

VISITOR PARTICIPATION

There were no persons wishing to address the Board on items not on tonight's Agenda.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Ta and carried [8-0] via roll call vote as follows, with the following abstentions by Directors Brandman: Item No. 1, *Cash Disbursements – Orange County Conservation Corps* due to a current business relationship and *West Coast Arborists* due to the Levine Act.

Ayes: Bilodeau, Brandman, Green, Rowe, Sarmiento, Ta, Yoh, Zahra

Absent: Nguyen, Sheldon

Abstain: Brandman – partial abstention on Item No. 1

1. Approval of Cash Disbursements

MOTION NO. 19-129  
APPROVING CASH DISBURSEMENTS

Payment of bills for the period September 26, 2019 through October 9, 2019 in the total amount of \$6,984,712.99 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 19-130  
APPROVING MINUTES OF BOARD MEETINGS

The minutes of the Board of Directors meeting held September 4 are approved as presented.

3. Emergency Response Plan Budget Amendment

MOTION NO. 19-131  
APPROVING BUDGET INCREASE FOR EMERGENCY RESPONSE PLAN

An increase of \$2,040 in budget line item 1034.53001 is authorized for Emergency Response Plan services completed in Fiscal Year 2019-20.

4. Pipeline Easement from Southern California Edison to Support the GWRSFE

RESOLUTION NO. 19-10-141  
APPROVING PIPELINE EASEMENT FROM SOUTHERN CALIFORNIA EDISON TO  
SUPPORT THE GWRS FINAL EXPANSION PROJECT

RESOLVED, that the General Manager is authorized to negotiate the terms of a Revocable Easement Agreement with Southern California Edison for the purpose of installing a 66-inch steel pipeline and related facilities for the conveyance of secondary effluent as part of the Groundwater Replenishment System Final Expansion (GRWSFE) Project, for a one-time fee of \$117,800; and, upon approval as to form and content by District General Counsel, its execution by the General Manager is authorized.

5. Resolution Commemorating the 150<sup>th</sup> Anniversary of the City of Santa Ana

RESOLUTION 19-10-142  
COMMEMORATING THE 150TH ANNIVERSARY OF THE CITY OF SANTA ANA

WHEREAS, the City of Santa Ana is celebrating its 150<sup>th</sup> anniversary of remarkable history on October 27, 2019; and

WHEREAS, the earliest known origins of what is now the City of Santa Ana revolve around the tribal Tongva and Juaneno/Luiseno people who were indigenous to the area; and

WHEREAS, the City of Santa Ana was listed as a township of Los Angeles County in the 1860 census, when its population totaled only 756 people, and William H. Spurgeon claimed the Santa Ana land, obtained from the descendants of Jose Antonio Yorba in 1869; and

WHEREAS, on November 11, 1952, the citizens of the City adopted a City Charter, and the City of Santa Ana has become the county seat of Orange County, lending its name to a freeway, nearby mountains, and the infamous winds of Southern California; and

WHEREAS, during 1953, the city of Santa Ana joined the Orange County Water District, which was formed by an Act of the California Legislature (1933) to manage the groundwater basin, conserve groundwater supplies and protect Orange County’s water rights to the natural flows of the Santa Ana River, and the City has ever since appointed a Council Member to the OCWD Board; and

WHEREAS, today, the City of Santa Ana has flourished, and the population has grown to over 338,000 people, designating it one of the most populous cities in the county; and

WHEREAS, the City of Santa Ana is recognized as a center for commercial, financial, and manufacturing businesses, and has become a major hub for economic activity in Southern California; and

WHEREAS, the City of Santa Ana is widely known for its extraordinary human behavior, unique and essential diversity, civic and social activism, heroic individual and community accomplishment, selfless sacrifice, progressive idealism, steadfast governance, and an active and caring populace; and

NOW, THEREFORE the Board of Directors of the Orange County Water District does hereby officially commend and congratulate the City of Santa Ana on the occasion of its 150<sup>th</sup> anniversary. We celebrate our collaboration over the years and wish the City of Santa Ana a bright and successful future for its residents and businesses.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD SEPTEMBER 27

6. License Agreement to the City of Anaheim for Driveway Access at Tustin Avenue

RESOLUTION NO. 19-10-143  
APPROVING LICENSE AGREEMENT TO CITY OF ANAHEIM FOR  
DRIVEWAY ACCESS AT TUSTIN AVENUE

RESOLVED, that issuance of a License Agreement is authorized to the City of Anaheim to allow the City ingress and egress over the District’s driveway at Tustin Avenue to access the City’s adjacent property located to the south for a term of 25 years and a one-time license fee of \$1,148, and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

7. License Agreement to Anaheim to Construct Storm Drain Facilities at Huckleberry Basin

RESOLUTION NO. 19-10-144  
APPROVING LICENSE AGREEMENT TO CITY OF ANAHEIM TO CONSTRUCT STORM  
DRAIN FACILITIES AT HUCKLEBERRY BASIN

RESOLVED, that the negotiation by the General Manager of a License Agreement with the City of Anaheim is authorized allowing the City to install, operate and maintain storm drain facilities at Huckleberry Basin for an initial term of 10 years and an automatic 10-year renewal, and, upon approval as to form and content by District General Counsel, its execution by the General Manager is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATION AND LEGISLATIVE LIAISON COMMITTEE MEETING HELD OCTOBER 3

8. 2020 Children’s Water Education Festival Location and Service Contracts

RESOLUTION NO. 19-10-145  
APPROVING 2020 CHILDREN’S WATER EDUCATION FESTIVAL LOCATION AND SERVICE CONTRACTS

WHEREAS, OCWD has participated in the Children’s Water Education Festival since 1998; and

WHEREAS, the Communication and Legislative Liaison Committee of this Board has recommended continued participation in such Festival for 2020, and has recommended execution of contracts accordingly;

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

Section 1: The hosting of the 2020 Children’s Water Education Festival at the University of California, Irvine (UCI) on March 25-26, 2020 is authorized.

Section 2: The Agreement with UCI is authorized for an amount not to exceed \$70,000 to host the 2020 Children’s Water Education Festival on its campus, and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Section 3: The Agreement with James Event Productions, Inc. is authorized for event rentals and equipment; security and first aid services; logistical support and coordination throughout the year-long planning effort and during the week-long setup, tear down and execution of the event for an amount not to exceed \$86,240; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD OCTOBER 9, 2019

9. Amendment No. 1 to Agreement with Tetra Tech for Santiago Pump Station Modifications Project Design and Construction Support Services

RESOLUTION NO. 19-10-146  
AUTHORIZING AMENDMENT TO AGREEMENT  
WITH TETRA TECH FOR SANTIAGO PUMP STATION MODIFICATIONS PROJECT DESIGN AND CONSTRUCTION SUPPORT SERVICES

WHEREAS, pursuant to Resolution No. 18-10-144 adopted October 17, 2018, OCWD issued Agreement No. 1336 to Tetra Tech for the Santiago Pump Station Modifications Project design and support services; and

WHEREAS, the Water Issues Committee of this Board has recommended Amendment No. 1 to such Agreement with Tetra Tech for an amount not to exceed \$13,600 for additional work to analyze and design a third project alternative for such project;

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

10. Agreement to Ramboll to Conduct Geophysical Investigation in Five Coves and Lincoln Basins and Adjacent Santa Ana River Channel

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RESOLUTION NO. 19-10-147  
APPROVING AGREEMENT TO RAMBOLL TO CONDUCT GEOPHYSICAL  
INVESTIGATION IN FIVE COVES AND LINCOLN BASINS AND  
ADJACENT SANTA ANA RIVER CHANNEL

RESOLVED, that issuance of an agreement is authorized to Ramboll for a geophysical investigation of Five Coves and Lincoln Basins and Adjacent Santa Ana River Channel for an amount not to exceed \$32,000; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

11. Agreement with Carollo for PFAS Treatment Systems Planning Study

RESOLUTION NO. 19-10-148  
AUTHORIZING AGREEMENT WITH CAROLLO FOR  
PFAS TREATMENT SYSTEMS PLANNING STUDY

RESOLVED, that issuance of an Agreement to Carollo is authorized for an amount not to exceed \$399,996 for the PFAS Treatment Systems Planning Study; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

12. Confidentiality Agreement with University of Arizona to Support Collaborative Research

RESOLUTION NO. 19-10-149  
APPROVING MUTUAL CONFIDENTIALITY AGREEMENT WITH UNIVERSITY OF  
ARIZONA TO SUPPORT COLLABORATIVE RESEARCH

RESOLVED, that the Mutual Confidentiality Agreement with the University of Arizona is authorized to support collaborative research and allow work to proceed on two research grants in which both the University of Arizona and OCWD are partners regarding monitoring and operation of potable water reuse systems; and, upon approval as to form by District General Counsel, execution of such Agreement by the General Manager is authorized.

13. Amendment to Cooperative Agreement for Imported Water Recharge

## RESOLUTION 19-10-150

## APPROVING AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT TO PROTECT WATER QUALITY AND ENCOURAGE THE CONJUNCTIVE USES OF IMPORTED WATER IN THE SANTA ANA RIVER BASIN

WHEREAS, pursuant to Resolution No. 07-7-99 adopted July 18, 2007, OCWD executed a Cooperative Agreement to Protect Water Quality and Encourage Conjunctive Use of Imported Water in the Santa Ana River Basin with the Regional Water Quality Control Board, San Bernardino Valley Municipal Water District, Western Municipal Water District, Eastern Municipal Water District, San Geronimo Pass Water District Agency, Elsinore Valley Municipal Water District and the Cities of Corona and Riverside for water quality monitoring and assessments of total dissolved solids and nitrate in imported water used to recharge the groundwater basin, and

WHEREAS, the Water Issues Committee of this Board has recommended issuance of the First Amendment to such Agreement to reduce the monitoring and reporting requirements but still satisfy the goals of the effort;

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

14. Agreement to Doty Bros. Construction Company for Gas Line Relocation for GWRSFE

## RESOLUTION NO. 19-10-151

## AUTHORIZING ISSUANCE OF AGREEMENT TO DOTY BROS. CONSTRUCTION COMPANY FOR GAS LINE RELOCATION FOR GWRS FINAL EXPANSION PROJECT

RESOLVED, that issuance of an agreement is authorized to Doty Bros. Construction Company for an amount not to exceed \$57,369 for the relocation of a gas line for the Groundwater Replenishment System Final Expansion Project; and, upon approval as to form by OCWD General Counsel, its execution by the District officers is authorized.

15. Award of Construction Contract No. FV-2019-2, Annex Building Locker Room Refurbishment Project, to iBuild Spectrum, Inc.

## RESOLUTION NO. 19-10-152

## AWARDING CONTRACT NO. FV-2019-2, ANNEX BUILDING LOCKER ROOM REFURBISHMENT PROJECT, TO IBUILD SPECTRUM, INC.

WHEREAS, a Notice Inviting Bids for Contract No. FV-2019-2, Annex Building Locker Room Refurbishment Project, was published in *The Orange County Register* on July 29, 2019; and

WHEREAS, Addenda Nos. 1 and 2 were subsequently issued clarifying the contract bid documents; and

WHEREAS, the following bids were received and opened on August 14, 2019:

Marjani Builders Inc.	\$420,000
iBuild Spectrum Inc.	\$428,500
Otero Construction Inc.	\$458,000
R Dependable Construction Inc	\$471,000
Caltec Corp.	\$485,000
KG Axis Inc	\$488,450
Kazoni Inc.	\$546,021
H2M Construction Inc.	\$780,000

WHEREAS, the District staff has advised that the apparent lowest bidder, Marjani Builders, Inc., submitted a bid that contained significant errors and discrepancies and staff has recommended it be deemed non-responsive; and

WHEREAS, the Water Issues Committee of this Board has recommended award of said contract to the lowest responsive bidder, iBuild Spectrum, Inc. in the amount of \$428,500;

WHEREAS, the Committee has further recommended an increase in the total project budget to \$486,460;

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

Section 1: The Affidavit of Publication of Notice Inviting Bids for FV-2019-2 is received and filed.

Section 2: Issuance of Addenda Nos. 1 and 2 is hereby ratified.

Section 3: The bid of Marjani Builders Inc. bid is deemed non-responsive and is hereby rejected.

Section 4: The lowest responsive bid of iBuild., in the amount of \$428,500 is accepted and all other bids are rejected.

Section 5: The President or Vice President and General Manager or District Secretary are authorized to execute an Agreement on behalf of the District, in a form heretofore approved by this Board, with iBuild Spectrum, Inc., pursuant to the terms of its proposal.

Section 6: The District General Counsel is authorized to approve the Performance and Labor and Materials Bonds submitted by said contractor on behalf of the District, provided the bonds comply with the requirements of the bid proposal.

Section 7: The District staff is directed to notify the unsuccessful bidder of the action taken herein and, upon execution of the agreement by the successful bidder, to return to the unsuccessful bidders their Bid Bonds.

Section 8: An increase in the total project budget to \$486,460 is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD OCTOBER 10, 2019

16. Monthly Cash Control Report

MOTION NO. 19-132  
RECEIVING AND FILING THE SUMMARY CASH AND CASH  
EQUIVALENTS CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated September 30, 2019 is hereby received and filed.

17. Investment Portfolio Holdings Report

MOTION NO. 19-133  
RECEIVING AND FILING THE INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated September 30, 2019 is hereby received and filed.

18. Award Chemical Contracts for Water Treatment Systems

RESOLUTION NO. 19-10-153  
AWARDING CHEMICAL CONTRACTS FOR WATER TREATMENT SYSTEMS

Authorize issuance of Amendment No. 2 for each of the following Agreements to vendors for the purchase of water treatment chemicals:

WHEREAS, pursuant to Resolution No. 17-10-137 adopted October 18, 2017, as subsequently amended, OCWD authorized Agreements to vendors for the purchase of water treatment chemicals:

WHEREAS, the Administration and Finance Issues Committee of this Board has recommended renewal of such Agreements for a one-year period as follows:

- 1) Brenntag Pacific for supply and delivery of hydrogen peroxide, at \$425/ton (which is reduced from current price of \$435/ton) with a 3% 10 net 30 term discount, to commence on November 1, 2019, for a period of one year with the option to renew for one additional year;
- 2) Brenntag Pacific for supply and delivery of citric acid, at \$850/ton (which is reduced from current price of \$860/ton) with a 3% 10 net 30 term discount, to commence on November 1, 2019, for a period of one year, with the option to renew for one additional year;
- 3) Olin Chlor Alkali Products for supply and delivery of sodium hypochlorite, at \$0.71/gal (an increase of 3% due to an increase in fuel and raw material costs), to commence on November 1, 2019, for a period of one year, with the option to renew for one additional year;



- 4) Univar USA, Inc., for supply and delivery of sulfuric acid, at \$145/ton (no increase), with a 2% 10 net 30 term discount, to commence on November 1, 2019, for a period of one year, with the option to renew for one additional year; and
- 5) Brenntag Pacific for supply and delivery of caustic soda, at \$590/ton (which is reduced from current price of \$610/ton) with a 2% 10 net 30 term discount, to commence on November 1, 2019, for a period of one year, with the option to renew for one additional year;

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

19. Increase Budget for Purchase of Standup Forklift

MOTION NO. 19-134

AUTHORIZING INCREASE IN FY 2019-20 NEW EQUIPMENT BUDGET FOR FORKLIFT

An increase in the Fiscal Year 2019-20 New Equipment budget for a standup forklift from \$35,000 to \$42,956

20. Independent Auditors Report for the Fiscal Year Ended June 30, 2019

MOTION NO. 19-135

RECEIVING AND FILING AUDIT REPORTS PREPARED BY  
WHITE NELSON DIEHL EVANS, LLP

The Audit Reports prepared by White Nelson Diehl Evans, LLP for the period ended June 30, 2019 are hereby received and filed.

21. District Expense Reimbursement and Board Member Compensation Policies

RESOLUTION NO. 19-10-154

DIRECTORS POLICY FOR ATTENDING MEETINGS OR  
RENDERING SERVICE FOR THE DISTRICT

WHEREAS, On January 17, 2001 and October 17, 2001, the OCWD Board adopted Resolution No. 01-1-10 and Ordinance No. 01-10-1, respectively, setting forth the activities of members of the Board that constitute attendance at a meeting or rendering service by a member of the Board “at the request of the Board of Directors”; and

WHEREAS, effective January 1, 2006, Government Code Section 53232.1(b) requires that local agencies adopt a written policy specifying the types of occasions that constitute the performance of official duties for which members of the legislative body of the agency may receive payment; and

WHEREAS, the Board of Directors desires to clarify and update what constitutes such attendance or rendering of service;

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

Section 1: The following shall constitute attendance at meetings or rendering service as a member of the Board of Directors at the request or approval of the Board of Directors, Board President or General Manager and thereby eligible for compensation:

- a. Meetings of the Board of Directors of OCWD.
- b. Meetings of standing committees of OCWD.
- c. Meetings of non-standing committees per Section 2. below
- d. Meetings or conferences, and education and training classes and courses, plus travel time before or after the event not to exceed one day if held within the State of California, and not to exceed one and one-half days if held outside the State of California.
- e. Consultation either by phone or meeting regarding the affairs of the District between any member of the Board of Directors and the President or the General Manager or a General Manager designee.
- f. Participation in committees or boards of other organizations and other agencies (e.g., ACWA, CSDA, ISDOC, WACO) on behalf of the District or other assignments.
- g. Attendance at meetings of local, regional, state or federal agencies, or with local, regional, state or federal governmental officials or with community groups or individuals, on issues of interest to the District.
- h. Meetings with Groundwater Producers within elected Directors Divisions.

Section 2: All assignments of directors to non-standing committees of the District or to committees or boards of other organizations and other agencies shall be recommended by the President and ratified by the Board of Directors before attendance at such meetings shall be considered to be rendered as a member of the Board at the request of the Board of Directors.

Section 3: No member of the Board of Directors shall receive compensation for more than a total of ten days in any calendar month.

Section 4: Directors may provide brief reports on meetings, other than District Board and Committee meetings, attended at the expense of the District at the next regular meeting of the Board of Directors following the meeting in compliance with AB1234 if applicable.

*AB1234 Summary – OCWD Directors who attend meetings, conference sessions or other gatherings at the expense of the District must provide “brief reports” on those attended activities if they are attended by six or more OCWD Directors*

Section 5: All meetings (including phone calls per Section 1.e) along with any preparation time prior to the meeting must exceed 30 minutes to receive compensation.

RESOLUTION NO. 19-10-155  
ADOPTING REVISED EXPENSE REIMBURSEMENT POLICY

WHEREAS, the Board of Directors previously adopted Resolutions No. 93-6-105 and No. 05-8-95 establishing an expense reimbursement policy for the Board of Directors and staff; and

WHEREAS, effective January 1, 2006, Government Code Section 53232.1(b) requires that local agencies adopt a written policy specifying reimbursement amounts for expenses such as meals, travel and lodging; and

WHEREAS, the Board of Directors desires to clarify and update the District's reimbursement policy for such expenses;

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

Section 1: MAXIMUM PER DIEM ALLOWANCE - Meals, Lodging and Incidental Expenses – The District shall reimburse meals, lodging and other actual and necessary incidental expenses incurred in the performance of official duties, in accordance with this Resolution, in an amount not to exceed \$800 per day, unless a greater amount is approved by the Board President or General Manager due to special circumstances.

Section 2: RECEIPTS – Consistent with Internal Revenue Service Regulations §1.274-5, *Substantiation Requirements*, receipts for expenditures are required for lodging and expenses of \$75 or more, and the traveler is required to maintain an account book diary, statement of expense or similar record to substantiate expenses under \$75, and to complete the District's expense reimbursement form in order to obtain reimbursement for eligible expenses.

Section 3: ELIGIBLE EXPENSES: Directors and staff shall receive reimbursement for actual, necessary and reasonable expenses, including but not limited to transportation, lodging, meals and other incidental expenses, incurred while on business of the District, in an amount not to exceed \$800 per day (exclusive of transportation), as follows:

- TRANSPORTATION

Reimbursement for travel by personal automobile for a total distance of 2,000 miles or less shall be for actual mileage driven, at IRS established mileage reimbursement rate, from point of departure to destination and return. Reimbursement for travel by personal automobile for a total distance of 2,001 miles or more shall be, the lesser amount of 1) mileage reimbursement for actual mileage driven to point of destination and return, or 2) the cost of normal coach-class round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required.

(revised 7/19/17) -- Reimbursement for travel by air shall be for fully refundable coach-class round-trip airfare to the nearest airport, plus reasonable ground transportation. Air transportation should be arranged as early as possible to take advantage of reduced fares for early reservations. Directors and staff shall use government and group rates offered by provider of transportation services, when available. The General Manager may approve certain travel enhancements such as upgraded coach-class programs on a case-by-case basis. Transportation reimbursement shall not be counted as part of the per diem allowance.

- PUBLIC TRANSPORTATION – Reimbursement for taxi, Uber, Lyft, rail, bus, or other reasonable ground transportation at actual cost including reasonable tips not to exceed 20% and applicable taxes.
- MILEAGE - Reimbursement rate per mile for use of privately owned vehicle (other than staff receiving a monthly vehicle allowance) while on official business of the District, will be automatically adjusted to the Internal Revenue Service standard mileage rate.
- PARKING - Reimbursement for actual cost
- TOLL CHARGES - Reimbursement for actual cost.
- Rental Car - Reimbursement shall be for actual cost of rental car plus gasoline costs and necessary insurance. If a rental car is used in lieu of personal automobile, the amount shall be not greater than the cost of normal fully reimbursable coach-class round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required.
- HOTEL LODGING – Reimbursement not to exceed single room rate plus tax. Lodging costs for conferences and similar activities shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director or staff member at the time of booking. If the group rate is not available, the Director or employee shall use comparable lodging that is consistent with this policy. Directors and employees shall use government and group rates offered by a provider of lodging services when available. Hotel reimbursement will be allowed only for events outside Orange County unless approved by the Board President or General Manager.
- TELEPHONE EXPENSE - Reimbursement of all reasonable and necessary telephone expenses to conduct District business including Internet services while traveling on District business at actual cost.
- BAGGAGE HANDLING - Reimbursement for actual cost.
- MEALS – Reimbursement for meals (Director/employee or employee/employee) is authorized when pertinent District issues require timely resolution and mealtime affords the most convenient manner to address agency business away from the normal work place. Reimbursement for meals shall be for a reasonable amount, plus tip not to exceed 20% is authorized. Reimbursement for alcoholic beverages is not authorized

Director expense reports shall itemize meal expenses and shall not include charges for Directors' spouses' or companions' meals.

***In the event that a Director or staff member is also paying the cost of meals for others in connection with the conduct of District business in accordance with these policies, a maximum amount of \$100 per guest shall be authorized in addition to the maximum daily per diem of \$800.***

Food service (meals, refreshments, etc.) is authorized, upon approval of the General Manager, in conjunction with Board/Committee meetings, staff meetings, training seminars, or information exchange sessions.

- CONFERENCES AND SEMINARS: PARTICIPATION - The Board President has authority to approve all conference/meeting attendance by the Board. All attendance by staff at such events requires the prior approval of the General Manager.
- REGISTRATION FEES - Reimbursement authorized for actual cost.

Section 4: INELIGIBLE EXPENSES: Personal items, laundry, entertainment, alcoholic beverages, and companion expenses are not eligible for reimbursement.

## 21. Long-Term Debt Refunding Opportunities

### RESOLUTION 19-10-156

#### AUTHORIZING AGREEMENTS IN CONNECTION WITH LONG-TERM DEBT REFUNDING AND AUTHORIZING PREPARATION OF DOCUMENTS FOR FUTURE ISSUANCE OF TAX-EXEMPT AND TAXABLE REFUNDING BONDS PENDING FURTHER ACTION BY THE BOARD

WHEREAS, the District staff has advised that it is currently reviewing refunding options for a tax-exempt refunding of the State Revolving Fund (SRF) loan for the Groundwater Replenishment System (GWRS) Initial Expansion project and a taxable refunding of the Series 2013A bonds;

WHEREAS, in this regard, the Administration and Finance Issues Committee has recommended engaging the services of Bond Counsel, Municipal Advisor, and Underwriter;

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

Section 1: Issuance of an agreement with Stradling Yocca Carlson & Rauth as Bond Counsel is authorized; and, upon approval as to form by OCWD General Counsel, its execution by the District officers is authorized.

Section 2: Issuance of an agreement with Fieldman Rolapp & Associates as Municipal Advisor is authorized, and, upon approval as to form by OCWD General Counsel, its execution by the District officers is authorized.

Section 3: Issuance of an agreement with Goldman Sachs as Underwriter is authorized; and, upon approval as to form by OCWD General Counsel, its execution by the District officers is authorized.

Section 4: The preparation of documents for future issuance of tax-exempt and taxable refunding bonds is authorized pending further action by the Board.

#### INFORMATIONAL ITEMS

#### 23. 3-Dimensional Visualization of PFAS Data

Chief Hydrogeologist Roy Herndon reported that staff is exploring ways to map out the extent of PFAS in groundwater in order to evaluate current and potential future impacts. He stated that OCWD contracted a firm specializing in 3-D data visualization to process PFOA and PFOS analytical data from nearly 600 groundwater sample locations at multi-depth monitoring wells and production wells. Mr. Herndon presented three-dimensional (3-D) computer renderings of the groundwater concentrations of two perfluorinated chemicals, PFOA and PFOS, that have been detected in monitoring and production wells.

#### 24. Potential Program to Assist Groundwater Producers with Treating Groundwater Supplies to Remove Per and Polyfluoroalkyl Substances

Mesa Water District Engineer Phil Lauri and Irvine Ranch Water District Director Doug Reinhart expressed gratitude to the Board and staff for the leadership role that OCWD has assumed on the PFAS issue.

Executive Director John Kennedy presented a proposed program to financially assist the Groundwater Producers with complying with a new possible State Division of Drinking Water 10 part-per-trillion (ppt) Perfluorooctanic acid (PFOA) Response Level. He advised that 11 Producers and 71 wells would be impacted by potential 10 ppt PFOA Response Level which could be established in December 2019 by the State. He stated that approximately up to one-third of groundwater basin production (100,000 afy) could be lost and the Producers would pay about \$50 million/year additional water supply cost by switching to more expensive imported water. Mr. Kennedy reported that staff has estimated a cost of approximately \$200 million to construct treatment systems for these wells and stated a consultant would be hired to provide more precise estimate

He reported that staff has developed a program whereby the District would fund, design and construct the necessary treatment systems for the 71 wells. He advised that additionally, the District would pay for a portion of the annual operation and maintenance cost. Mr. Kennedy stated that the District can provide the necessary funding, has the expertise and staffing, and can quickly respond to this potential situation minimizing the negative impacts to the service territory. He advised that staff has held several meetings with the Groundwater Producers to discuss the program and it appears the Producers are supportive of this program. He presented draft policy principles and noted that staff would return to the Board with additional information in November.

#### 25. Santa Ana Watershed Project Authority Activities

Director Rowe updated the Board on recent SAWPA activities, noting that Commissioner Bilodeau was not in attendance.

26. Water Resources Report

There was no discussion of this item.

27. 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.

- Sept 27 - Property Management Committee
- Oct 03 - Communication and Legislative Liaison Committee
- Oct 09 - Water Issues Committee
- Oct 10 - Administration and Finance Issues Committee

28. Verbal Reports

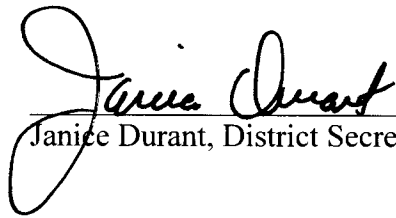
Directors Rowe and Green reported on their attendance at the meeting with Intertox representatives on October 14 to discuss the Notification Level and Response Level for PFAS.


Directors Sarmiento, Rowe, Green reported on their attendance at the 10<sup>th</sup> anniversary celebration of the Philip L. Anthony Water Quality Laboratory.

General Manager Markus advised that OCWD received the Water Environment Federation Utility of the Future Today Award for its work in wastewater treatment systems.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:35 p.m.

  
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 Janice Durant, District Secretary

  
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 Vicente Sarmiento, President