

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
November 4, 2015, 5:30 p.m.

President Green called to order the November 4, 2015 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
Denis Bilodeau
Shawn Dewane
Jan Flory
Cathy Green
Dina Nguyen (not in attendance)
Roman Reyna
Stephen Sheldon (arrived 5:54 p.m.)
Harry Sidhu
Roger Yoh

Staff

Michael Markus, General Manager
Joel Kuperberg, General Counsel
Janice Durant, District Secretary
Ryan Bouley, Randy Fick, Roy Herndon,
Bill Hunt, John Kennedy, Scott Nygren,
Chris Olsen, Ben Smith, Patrick Versluis,
Greg Woodside, Nira Yamachika

Others:

Tom McCarthy – City of Anaheim
Brian Ragland – City of Huntington Beach
Richard Eglash - Brady
Jim Atkinson – Mesa Water District
Nabil Sabu – City of Santa Ana
Ken Vecchiarelli – Golden State Water Company
Keith Lyon – Municipal Water District of Orange County

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 Yoh and carried [8-0] as follows.

Ayes: Anthony, Bilodeau Dewane, Flory, Green, Reyna, Sidhu, Yoh

Absent: Nguyen, Sheldon

1. Approval of Cash Disbursements

MOTION NO. 15-158
APPROVING CASH DISBURSEMENTS

Payment of bills for the period October 15, 2015 through October 28, 2015 in the total amount of \$4,897,773.85 is ratified and approved.

2. Minutes of Board of Directors Meeting

MOTION NO. 15-159
APPROVING MINUTES OF BOARD OF DIRECTORS MEETING

The Minutes of the Board of Directors meeting held October 7, 2015 are hereby approved as presented.

3. Resolution Commending Laurence Lizotte Upon the Occasion of his Retirement from the Moulton Niguel Water District (MNWD) Board

RESOLUTION NO. 15-11-153
HONORING LAURENCE R. LIZOTTE FOR 45 YEARS OF SERVICE
TO MOULTON NIGUEL WATER DISTRICT

WHEREAS, Laurence R. Lizotte was first elected to the Moulton Niguel Water District Board of Directors in 1970 to serve the southern area of Laguna Niguel. He has dedicated 45 years of service, 33 years of which he served as the Board President; and

WHEREAS, Director Lizotte is a retired businessman, residential homebuilder and licensed general contractor; and

WHEREAS, Director Lizotte attended Fullerton Junior College where he was President of the Veterans Club, Man of the Semester and one of the Top 25 "Men of Distinction". He also attended California State University at Long Beach. He is a Civil Engineer by education; and

WHEREAS, Director Lizotte served in the Navy for 4 years between Korea and Vietnam wars; and

WHEREAS, Director Lizotte held responsible positions in industry with City of Fullerton, City of Orange, Laguna Niguel Corp./AVCO, Broadmoor Homes, Broadmoor Development and LDM Development Inc.; and

WHEREAS, in addition to his service on the Moulton Niguel Water District Board of Directors, Director Lizotte serves on the Board of Directors for the South Orange County Wastewater Authority; and

WHEREAS, Director Lizotte served in a number of leadership roles within the water industry, including the boards of Aliso Wastewater Management Authority, South East Regional Reclamation Authority and South Orange County Reclamation Authority; and

WHEREAS, Director Lizotte contributed to having the lowest water rates in South Orange County and tiered water rates to encourage water conservation; and

WHEREAS, Director Lizotte is dedicated to serving the public and continues to campaign for prudent policies that provide the public with the highest quality water in the most economical manner; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Orange County Water District wishes to honor and congratulate Laurence R. Lizotte for his dedication and successful leadership at the Moulton Niguel Water District for 45 years.

- 4. Order 2014-15 Annual Engineer's Investigation and Report on Groundwater Conditions, Water Supply and Basin Utilization

RESOLUTION NO. 15-11-154
ORDERING ANNUAL ENGINEERING INVESTIGATION AND REPORT ON
GROUNDWATER CONDITIONS, WATER SUPPLY, AND BASIN UTILIZATION

WHEREAS, Section 25 and Section 31.5, subparagraph (1), of the Orange County Water District Act, as amended, provide that the District shall annually order an investigation and report to be made by an engineer or engineers employed by said District, for the purpose of investigating and reporting on groundwater conditions of said District, and for the purpose of ascertaining information relative to water use, water availability, and water costs as set forth in said District Act;

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

Section 1: The engineers of the District staff are instructed to proceed with said investigation and report on groundwater conditions for the water year 2014-15, in accordance with Section 25 of the amended Orange County Water District Act, for consideration of the Board in the levy of the replenishment assessment for 2014-15; and to proceed with said investigation and report on water supply and basin utilization, in accordance with said Section 31.5 of the amended District Act, for the consideration of the Board in the levy of a basin equity assessment for 2014-15.

Section 2: The engineers of the District staff are instructed to deliver the completed report in writing to the General Manager of this District on the second Wednesday in February 2016 as provided in said Act.

- 5. Agreement to Pacific Hydrotech for Abandonment of Transfer Pipes

RESOLUTION NO. 15-11-155
AUTHORIZING AGREEMENT TO PACIFIC HYDROTECH FOR
ABANDONMENT OF TRANSFER PIPES

RESOLVED, that issuance of Agreement to Pacific Hydrotech for an amount not to exceed \$75,600 for the Santa Ana River Pipe Abandonment near Tustin Avenue; and, upon approval as to form by District General Counsel, its execution is authorized.

CONSENT CALENDAR ITEMS FROM RETIREMENT COMMITTEE MEETING HELD ON
OCTOBER 27, 2015

- 6. Retirement Plan Trust Agreements

RESOLUTION NO. 15-11-156
APPROVING PRUDENTIAL RETIREMENT PLAN TRUST AGREEMENTS

WHEREAS, OCWD has established a Trust to hold the assets of the participants in the 401(a) and 457(b) Retirement Plans; and

WHEREAS, OCWD has appointed Prudential Bank and Trust FSB, to custody the assets of the Trusts on behalf of the Participants; and

WHEREAS, Prudential has advised that there are required IRS updates at this time and is requiring that OCWD adopt its Trust Agreement which includes the IRS updated language;

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

Section 1: The Prudential Trust Agreement Amending and Restating the Money Purchase Plan for Employees of OCWD and the Trust Agreement Response Card is hereby approved and adopted; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Section 2: The Prudential Governmental 457 Plan Trust Agreement Establishing the OCWD 457(B) Plan Trust with Prudential is hereby approved and adopted; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

7. 457(B) Deferred Compensation Plan Investment Line-Up Review and Red Flag Fund Review

MOTION NO. 15-160

APPROVING FUND CHANGES TO 457(B) DEFERRED COMPENSATION PLAN
INVESTMENT PORTFOLIO AND THE 401(A) MONEY PURCHASE
RETIREMENT PLAN INVESTMENT PORTFOLIO

The following changes to the 457(b) Deferred Compensation Plan investment portfolio and the 401(a) Money Purchase Retirement Plan investment portfolio are hereby authorized.

457(b) Portfolio Funds	Action	Symbol
Aberdeen Emerging Markets A	Remove	GEGAX
Virtus Emerging Markets Opportunities A	Add Fund Map GEGAX funds	HEMZX
Putnam Equity Spectrum Y	Red Flag	PYSYX
401 (a) Portfolio Funds	Action	Symbol
AB Discovery Growth A	Remove Fund	CHCLX
JP Morgan Mid Cap Growth A	Add Fund Map CHCLX funds	OSGIX
Prudential Jennison Mid Cap Growth A	Remove Fund	PEEAX
MassMutual Select Mid Cap Gr Eq II A	Add Fund Map PEEAX funds	MEFAX
Columbia Infl Protected Secs A	Remove Fund	APSAX
JP Morgan Inflation Managed Bond A	Add Fund Map APSAX funds	JIMAX

Director Sheldon arrived at 5:55 p.m. during discussion of the following item.

WORKSHOP

8. Recharge Facilities Workshop – Preparation for Winter

Director of Recharge Operations Scott Nygren provided an overview of the OCWD recharge basins, noting that OCWD has 25 recharge basins comprising 1100 acres with a storage capacity of 25,000 acre feet. Due to the current drought, he stated the basins are filled to 20% of capacity. General Manager Markus remarked that if the GWRS Expansion were online today, OCWD could recharge the additional water.

INFORMATIONAL ITEMS

A. Santa Ana Watershed Project Authority Activities

Director Anthony advised that the SAWPA Commission toured Mission Linen Supply in Chino, one of the major users of the Santa Ana Regional Interceptor (SARI) Line.

B. Groundwater Remediation Monthly Status Update

Director of Special Projects Bill Hunt advised that the EPA will give a presentation to the Board at the December 16 Board meeting where they intend to outline their priorities for the North Basin. With regard to the South Basin, he stated that staff met with the Department of Toxic Substances regarding their oversight role.

C. Committee/Conference/Meeting Reports

Reports on Conferences/Meetings Attended at District Expense (at which a quorum of the Board was present)

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 27 – Retirement Committee

October 28 – OCWD/MWDOC Joint Planning Committee

D. Verbal Reports


Director Green reported on her attendance at the NWRI Clarke Prize Conference on Friday, October 30. General Manager Markus reported on his attendance at a Workshop on Emergency Drought Regulations in Sacramento. Director Bilodeau stated he attended a LAFCO workshop on October 28 regarding Sewage Area No. 7. Director Anthony suggested the Board adopt a resolution of support for the proposed new MWD water recycling project. Director Flory stated she attended the State Water Project Tour last Friday.

ADJOURNMENT TO CLOSED SESSION

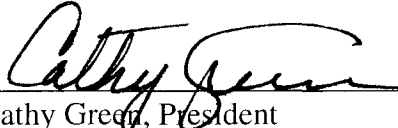
General Counsel Kuperberg advised that there was no need to adjourn to Closed Session after tonight's meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:25 p.m.



Janice Durant, District Secretary



Cathy Green, President