

MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
December 20, 2017, 5:30 p.m.

President Bilodeau called to order the December 20, 2017 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 Assistant District Secretary called the roll and reported a quorum as follows.

Directors

Philip Anthony (absent)
Denis Bilodeau
Shawn Dewane
Cathy Green
Dina Nguyen
Vicente Sarmiento
Stephen Sheldon
James Vanderbilt
Bruce Whitaker
Roger Yoh

Staff

Mike Markus, General Manager
Joel Kuperberg, General Counsel
Christina Fuller, Assistant District Secretary

VISITOR PARTICIPATION

There were no persons wishing to address the Board on items not listed on the agenda at tonight's meeting.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Whitaker and carried [7-0] as follows:

Ayes: Bilodeau, Dewane, Green, Nguyen, Vanderbilt, Whitaker, Yoh
Absent: Anthony, Sarmiento, Sheldon

1. Approval of Cash Disbursements

MOTION NO. 17-166
APPROVING CASH DISBURSEMENTS

Payment of bills for the period November 30, 2017 through December 13, 2017 in the total amount of \$15,348,741.66 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 17-167
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held November 15, 2017 are approved as presented.

ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATION AND LEGISLATIVE
LIAISON COMMITTEE MEETING HELD DECEMBER 7, 2017

3. 2018 OCWD Legislative Platform

MOTION NO. 17-168
APPROVING THE 2018 OCWD LEGISLATIVE PLATFORM

The 2018 OCWD Legislative Platform is hereby approved as presented.

ITEM RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING
HELD DECEMBER 13, 2017

4. Invitation to Prequalify for the GWRS Unit I Pipeline Rehabilitation Project

MOTION NO. 17-169
AUTHORIZING PUBLIC INVITATION TO PREQUALIFY FOR
GWRS UNIT I PIPELINE REHABILITATION PROJECT

Publication of the Public Invitation to Prequalify to Bid for Construction of the Groundwater Replenishment System (GWRS) Unit I Pipeline Rehabilitation Project is hereby authorized.

5. Amendment for La Palma Basin Research Project with CSULB

RESOLUTION NO. 17-12-154
AUTHORIZING AMENDMENT TO AGREEMENT WITH CSULB FOR
LA PALMA BASIN RESEARCH PROJECT

WHEREAS, pursuant to Resolution No. 16-6-76 adopted June 16, 2017, OCWD entered into an agreement with California State University, Long Beach (CSULB) for a joint research study evaluating fiber optic distributed temperature sensing at demonstration scale in La Palma Basin for the La Palma Basin Research Project; and

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 1 to such agreement in the amount of \$15,897 to continue development of enhanced performance monitoring of La Palma Basin Research Project;

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

6. Contract No. B-2014-1, Burriss Pump Station Project Phase 2: Construction (Pacific Hydrotech):
Notice of Completion

RESOLUTION NO. 17-12-155
ACCEPTING COMPLETION OF CONTRACT NO. B-2014-1, BURRIS PUMP STATION
PROJECT PHASE 2 CONSTRUCTION

WHEREAS, the District staff has submitted its report that Pacific Hydrotech, Inc. has completed work under Contract No. B-2014-1, Burriss Pump Station Phase 2 Construction; and

WHEREAS, the District staff has advised of issuance of Change Order Numbers 1 through 14 to such Contract for a total amount of \$258,097; 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 Orders No. 1 through 14 to Pacific Hydrotech, Inc. for a total amount of \$258,097 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.

7. Agreement to JIG Consultants for Design Services for Talbert Seawater Intrusion Barrier
Pipeline Replacement Project

RESOLUTION NO. 17-12-156
AUTHORIZING AGREEMENT TO JIG CONSULTANTS FOR DESIGN SERVICES FOR THE
TALBERT SEAWATER INTRUSION BARRIER PIPELINE REPLACEMENT PROJECT

RESOLVED, that issuance of an Agreement is authorized to JIG Constants for an amount not to exceed \$185,530 to provide design services for the Talbert Seawater Intrusion Barrier Pipeline Replacement Project; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

8. RPF for Design Services for the Anaheim Lake Valve Vault Project

MOTION NO. 17-170

AUTHORIZING ISSUANCE OF RFP FOR THE ANAHEIM LAKE VALVE VAULT PROJECT

Issuance of a Request for Proposals is authorized for design services for the Anaheim Lake Valve Vault Project.

9. Project Funding Agreement with USBR for Study of NDMA and Previously Unidentified NDMA Precursors

RESOLUTION NO. 17-12-157

APPROVING PROJECT FUNDING AGREEMENT WITH USBR FOR STUDY ON
NDMA AND PREVIOUSLY UNIDENTIFIED NDMA PRECURSORS

WHEREAS, the District has been awarded funding in the amount of \$149,894 from the U.S. Bureau of Reclamation (USBR) for a research study entitled, *N-nitrosodimethylamine (NDMA) and Previously Unidentified NDMA Precursors in Advanced Potable Reuse Treatment Plants*, of which up to \$86,000 will be distributed as follows: \$75,000 to project partners as contractors to the District and \$11,000 for laboratory analytical services and other costs; and

WHEREAS, in this regard, the Water Issues Committee of this Board has recommended execution by the General Manager of the U.S. Bureau of Reclamation Grant Contract Agreement for such project; and

WHEREAS, the Water Issues Committee of this Board has further recommended execution by the General Manager of the aforementioned contractor agreements necessary for completion of such study as follows: \$25,000 to the University of Nevada, Reno, \$25,000 to the University of Colorado, Boulder, and \$25,000 to San Diego State University; and

WHEREAS, the Water Issues Committee of this Board has further recommended issuance of Purchase Orders for contract laboratories and other costs for such study in an amount not to exceed \$11,000 required for such study;

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

Section 1: The aforementioned USBR grant Contract Agreement is authorized as described herein, and, upon approval as to form by the District General Counsel, its execution by the General Manager is authorized.

Section 2: Upon approval as to form as to form by District General Counsel, execution by the General Manager of the aforementioned contractor agreements is authorized as outlined herein.

Section 3: Issuance of Purchase Orders for contract laboratories and other costs required for such study in an amount not to exceed \$11,000 is hereby approved.

10. Project Funding Agreement with U.S. Bureau of Reclamation

RESOLUTION NO. 17-12-158

AUTHORIZING EXECUTION OF A PROJECT FUNDING AGREEMENT WITH USBR FOR STUDY ON PILOT EVALUATION OF CLOSED CIRCUIT DESALINATION AND FORWARD OSMOSIS ALTERNATIVES FOR CONCENTRATE TREATMENT

WHEREAS, the District has been awarded funding from the U.S. Bureau of Reclamation (USBR) in the amount of \$249,966 for a research study entitled, *Pilot Evaluation of Closed Circuit Desalination (CCD) and Forward Osmosis (FO) Alternatives for Concentrate Treatment*, of which up to \$136,565 will be distributed as follows: \$90,565 to project partners as contractors to the District, and \$46,000 for laboratory analytical services and other costs; and

WHEREAS, in this regard, the Water Issues Committee of this Board has recommended execution by the General Manager of the U.S. Bureau of Reclamation Grant Contract Agreement for such project; and

WHEREAS, the Water Issues Committee of this Board has further recommended execution by the General Manager of the aforementioned contractor agreements necessary for the completion of such a study as follows: \$23,970 to Desalitech, plus up to \$3,200 for travel; \$23,975 to Porifera, plus up to \$3,200 for travel, and \$36,200 to Carollo; and

WHEREAS, the Water Issues Committee of this Board has further recommended issuance of Purchase Orders for contract laboratories and other costs required for such study in an amount not to exceed \$46,000;

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

Section 1: The aforementioned USBR grant Contract Agreement is authorized as described herein, and, upon approval as to form by District General Counsel, execution by the General Manager is authorized.

Section 2: Upon approval as to form by District General Counsel, execution by the General Manager of the aforementioned contractor agreements is authorized as outlined herein.

Section 3: Upon approval as to form by District General Counsel, issuance of Purchase Orders for contract laboratories and other costs required for such study in an amount not to exceed \$46,000 is hereby approved.

11. RFP for Smith Basin Rehabilitation Project Design Services

MOTION NO. 17- 171
AUTHORIZING ISSUANCE OF RFP FOR SMITH BASIN
REHABILITATION PROJECT DESIGN SERVICES

Issuance of a Request for Proposals (RFP) is authorized for the Smith Basin Rehabilitation Project.

12. Geophysical Survey with Leggette, Brashears & Graham

RESOLUTION NO. 17-12-159
APPROVING AGREEMENT WITH LEGGETTE, BRASHEARS & GRAHAM FOR A
GEOPHYSICAL SURVEY IN SUNSET GAP AND AUTHORIZING ISSUANCE OF A LICENSE
AGREEMENT WITH DEPARTMENT OF THE NAVY

WHEREAS, the Water Issues Committee of this Board has recommended issuance of an agreement to Leggette, Brashears & Graham to conduct a geophysical survey for the seawater intrusion investigation along the boundaries of the Naval Weapons Station in Seal Beach (Sunset Gap area) for an amount not to exceed \$40,000; and

WJEREAS, the Water Issues Committee has further recommended the General Manager be allowed to finalize and execute a renewed four-year license agreement (License No. N6247318RP00040) with the Department of the Navy to allow access to perform the geophysical survey and construction of remaining monitoring wells for a fee of \$36,740;

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

Section 1: Issuance of an agreement to Leggette, Brashears & Graham is authorized as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Section 2: Execution by the General Manager of the aforementioned Department of the Navy License No. N6247318RP00040 is authorized for a four-year term as outlined herein, and payment of the License fees in the amount of \$36,740 is authorized.

13. City of Buena Park Loan Agreement

RESOLUTION NO. 17-12-160
AUTHORIZING EXECUTION OF LOAN AGREEMENT WITH CITY OF BUENA PARK TO
CONSTRUCT THE ROSECRANS BOOSTER PUMP STATION PROJECT

WHEREAS, the City of Buena Park (City) is in the process of constructing the Rosecrans Booster Pump Station Project at an estimated cost of \$5.7 million that would allow the City to pump 100% groundwater to meet their customer's demands; and

WHEREAS, the Water Issues Committee of this Board has recommended the District provide up to a \$6 million interest free 20-year loan to the City to be used toward funding these improvements as the additional groundwater pumping would reduce the amount of groundwater that is annually lost by OCWD across the Los Angeles Orange County border; and

WHEREAS, in return for the loan, the City would commit to make all reasonable efforts to annually pump 100% groundwater to meet their customer's water supply needs; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), staff has recommended filing a Notice of Exemption for such agreement;

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

Section 1: Negotiation of a loan agreement with the City of Buena Park is authorized as outlined herein; and upon approval as to form by District General Counsel, execution of the loan agreement by the General Manager is authorized.

Section 2: Filing of a Notice of Exemption for such agreement is authorized in accordance with CEQA guidelines

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD DECEMBER 14, 2017

14. Monthly Cash Control Report

MOTION NO. 17-172
RECEIVING AND FILING SUMMARY CASH AND
CASH EQUIVALENTS CONTROL REPORTS

The Cash and Cash Equivalents Control Reports dated November 30, 2017 are received and filed.

15. Investment Portfolio Holdings Reports

MOTION NO. 17- 173
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated November 30, 2017 are received and filed.

16. Agreement with American Water Chemicals, Inc. for Chemical Purchase for GWRS

RESOLUTION NO. 17-12-161
APPROVING AGREEMENT WITH AMERICAN WATER CHEMICALS, INC. FOR PURCHASE
OF REVERSE OSMOSIS (RO) ANTISCALANTS FOR THE GWRS
REVERSE OSMOSIS TREATMENT FACILITY

RESOLVED, that the General Manager is authorized to execute an Agreement with American Water Chemicals, Inc., at \$0.79/lb. for the supply and delivery of antiscalants for the GWRS Reverse Osmosis treatment facility.

17. Agreement with TRC Companies, Inc.

RESOLUTION NO. 17-12-162
AUTHORIZING AGREEMENT WITH TRC COMPANIES, INC.
FOR VIDEO MONITORING DESIGN SERVICES

RESOLVED, that issuance of an Agreement to TRC Companies, Inc. is authorized for the District's Video Monitoring System Replacement Project Consulting Services in an amount not to exceed \$89,400; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

18. Agreement with ACCO Engineered Systems

RESOLUTION NO. 17-12-163
AUTHORIZING AGREEMENT WITH ACCO ENGINEERED SYSTEMS FOR ANNUAL
MAINTENANCE OF HVAC EQUIPMENT

RESOLVED, that issuance of an Agreement to ACCO Engineered Systems is authorized for maintaining the HVAC equipment for a two-year period, with an option to renew for a period of two years, for amount not to exceed \$59,988 per year; and, upon approval as to form as to form by District General Counsel, its execution by the District officers is authorized.

19. Surplus of Vehicles and Equipment

RESOLUTION NO. 17-12-164
DECLARING VEHICLES AND EQUIPMENT SURPLUS

RESOLVED, that the items on the Surplus list dated December 1, 2017, are hereby declared surplus, and the sale or disposal thereof is authorized.

INFORMATIONAL ITEMS

20. ACWA/JPIA - President's Special Recognition Award

General Manager Markus stated that OCWD received the President's Special Recognition Award by the Association of California Water Agencies (ACWA/JPIA) in both the liability and property coverage insurance programs. He advised that JPIA recognizes members that have a Loss Ratio of 20% or less in the liability, property, or worker's compensation programs. Director Dewane requested that information on a Lost Time Accident report be provided at a future Board meeting.

21. Groundwater Producer Participation in FY 2017-18 In-Lieu Program

Mr. Markus reported on the Groundwater Producer Participation in the FY 2017-18 In-Lieu Program, noting that the District is on target and should reach its goal by the end of December. He also noted that the program might be suspended by the Metropolitan Water District due to the low allocation on the State Water Project.

22. Santa Ana Watershed Project Authority Activities

Director Whitaker updated the Board on recent SAWPA AND OWOW activities.

23. Water Resources Summary

Irvine Ranch Water District Director Peer Swan congratulated the Board on the success of the In Lieu Program and requested that future Water Resources Summary reports include the amount of water pumped in lieu by each Groundwater Producer.

24. Committee/Conference/Meeting Reports

Directors Yoh and Sarmiento reported on meetings with Senator Hertzberg and Assemblywoman Quirk-Silva. Director Whitaker reported on a meeting with the Moulton Niguel Water District General Manager.

25. Verbal Reports

There were no additional verbal reports.

26. ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 5:55 p.m. as follows:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

[Government Code Section 54956.8]

Real property located at: Parcels (3)

253-473-01 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806

253-631-32 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806

253-631-39 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806

OCWD negotiator: Michael Markus

Negotiating party: Various Parties

Under negotiation: Price and Terms


RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 6:45 p.m. whereupon General Counsel Kuperberg announced that no reportable action took place in Closed Session.

ADJOURNMENT

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


Christina Fuller, Assistant District Secretary


Denis Bilodeau, President