

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
December 20, 2023, 5:30 p.m.

President Green called to order the December 20, 2023 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. Public access was also provided via Zoom webinar.

Directors

Valerie Amezcua
Denis Bilodeau
Cathy Green
Dina Nguyen (absent)
Natalie Meeks
Vacant
Stephen Sheldon
Van Tran
Bruce Whitaker
Roger Yoh

Staff

Mike Markus, General Manager
Jeremy Jungreis, General Counsel
Christina Fuller, District Secretary

VISITOR PARTICIPATION

Mesa Water District Director Jim Fisler stated that he applied for the Division 7 Board vacancy and offered his congratulatory wishes to General Manager Mike Markus retiring in January.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Amezcua, seconded by Director Whitaker and carried [7-0] as follows, with Director Sheldon abstaining on Item No. 14, *OCWD Personnel Manual Update*:

Ayes: Amezcua, Bilodeau, Green, Sheldon, Tran, Whitaker, Yoh

Absent: Meeks, Nguyen

Abstain: Sheldon, Item No. 14

1. Approval of Cash Disbursements

MOTION NO. 23-120
APPROVING CASH DISBURSEMENTS

Payment of bills for the period of November 30, 2023 through December 13, 2023 in the total amount of \$16,162,860.31 is ratified and approved.

2. Minutes of Board of Directors Meetings held November 15, November 22, December 1 and December 6, 2023
-

MOTION NO. 23-121
APPROVING MINUTES OF BOARD OF DIRECTORS MEETINGS

The Minutes of the Board of Directors meeting held November 15, November 22, December 1 and December 6, 2023 are hereby approved as presented.

3. Resolution Honoring Kelly E. Rowe for his Service to OCWD and the Water Industry

RESOLUTION NO. 23-12-158
HONORING KELLY E. ROWE, IN MEMORIAM, FOR HIS DEDICATED SERVICE TO OCWD AND
FOR HIS SIGNIFICANT CONTRIBUTIONS TO GROUNDWATER MANAGEMENT

WHEREAS, Kelly Rowe, a dedicated member of the Orange County Water District (OCWD) Board of Directors from 1998 to 2000 and again since 2018, passed away on November 22, 2023, at the age of 70; and

WHEREAS, representing Division 7, encompassing Costa Mesa, parts of Irvine, and Newport Beach, Kelly Rowe brought invaluable expertise as a water resources technical professional, significantly shaping Orange County's water management; and

WHEREAS, Kelly Rowe's leadership was crucial in managing the Orange County Groundwater Basin, a vital water source for over 2.5 million residents; and

WHEREAS, as a commissioner representing OCWD on the Santa Ana Watershed Project Authority since 2020, Kelly Rowe championed alternative water supply projects, including cloud seeding; and

WHEREAS, beginning in 1985, Kelly Rowe contributed to OCWD as a technical consultant and managed significant projects, including the overhaul of the coastal seawater intrusion barrier injection wells from 1996 to 1998; and

WHEREAS, Kelly Rowe's certifications as a California-licensed Professional Geologist, Certified Engineering Geologist, Certified Hydrogeologist, and Association of State Floodplain Managers (ASFPM) Certified Floodplain Manager highlighted his lifelong commitment to sustainable water management; and

WHEREAS, Kelly Rowe's career, starting with participation in the first Earth Day program in 1970 and included founding the American Water Resources Association Southern California Section, serving as a long-term member of the American Geophysical Union and Association of Engineering Geologists, and forming a consulting company, Kelly E. Rowe & Associates; and

WHEREAS, Kelly Rowe's passion for water and geology, fostered since high school and honed at UC San Diego and San Diego State University, led to an exemplary career as a hydrogeologist; and

WHEREAS, under Kelly Rowe’s guidance, OCWD garnered accolades for innovation, financial management, public outreach, and engineering excellence;

NOW, THEREFORE, BE IT RESOLVED, that the OCWD Board of Directors and staff honor Kelly Rowe's profound impact on groundwater management and celebrate his legacy of professional dedication.

ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT COMMITTEE MEETING HELD DECEMBER 5

4. 457(b) Deferred Compensation Plan Investment Line-Up Review and 401(a) Red Flag Fund Review

MOTION NO. 23-122
RECEIVING AND FILING 457(B) DEFERRED COMPENSATION PLAN LINE-UP REVIEW AND 401(a) RED FLAG FUND REVIEW

The 401(a) Money Purchase Retirement Plan and the 457(b) Deferred Compensation Plan investment portfolios are hereby received and filed and the following actions in connection with the funds are authorized.

457 (b) Items		
Fund Name	SYMBOL	ACTION
JPMorgan Emerging Markets Equity R6	JEMWX	Remove and replace with American Fund New World R6
Touchstone Mid Cap Y	TMCPX	Remove Red Flag
Franklin Gold and Precious Metals Adv	FGADX	Grey Flag
401(a) Items		
JP Morgan Mid Cap Growth RS	JMGFX	Keep Red Flag
Goldman Sachs Infl Protected Secs Instl	GSIPX	Merge with Bond Fund of America

ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATIONS AND LEGISLATIVE LIASION COMMITTEE MEETING HELD DECEMBER 7

5. 2024-2025 Orange County Water District Legislative Policies and 2024-2025 State and Federal Legislative Goals and Strategy

RESOLUTION NO. 23-12-159
APPROVING OCWD 2024-25 LEGISLATIVE GOALS AND POLICIES

RESOLVED, that the OCWD 2024-2025 Legislative Goals and Strategy Platform and Legislative Policies are hereby adopted as presented.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE
MEETING HELD DECEMBER 8

6. Pollution Insurance for District Property Located at 3199 East La Palma Avenue in Anaheim (La Palma Basin)
-

RESOLUTION NO. 23-12-160
AUTHORIZING POLLUTION LIABILITY INSURANCE POLICY
FOR LA PALMA BASIN

WHEREAS, on January 29, 2014, the District acquired the 17.69-acre property at 3199 East La Palma Avenue, Anaheim (Property) from La Palma/Miller Owners LLC (Panattoni) to construct the La Palma Recharge Basin (Basin).

WHEREAS, when OCWD purchased the Property, OCWD was required to indemnify the seller (Panattoni) and the prior property owner (Boeing) for the Property and an adjoining 23 acres.

WHEREAS, since OCWD was required to indemnify the prior owners, as an abundance of caution, OCWD purchased a 10-year pollution insurance policy for approximately \$287,070 for potential contamination which expires January 31, 2024.

WHEREAS, the Property Management Committee of this Board has recommended authoring the General Manager to negotiate and execute a pollution liability insurance policy for La Palma Basin for a term of up to 10 years in an amount not to exceed \$300,000.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned pollution liability insurance policy for La Palma Basin as outlined herein; 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
DECEMBER 13

7. Amendment No. 3 to Agreement with Engineering Analytics, Inc. for Consulting Services for the South Basin Remedial Investigation Feasibility Study (RI/FS)
-

RESOLUTION NO. 23-12-161
APPROVING AMENDMENT TO AGREEMENT WITH ENGINEERING ANALYTICS, INC. FOR
CONSULTING SERVICES FOR THE SOUTH BASIN REMEDIAL INVESTIGATION / FEASIBILITY
STUDY

WHEREAS, pursuant to Resolution No. 20-6-76 adopted June 17, 2020, OCWD authorized an Agreement to Engineering Analytics, Inc. for an amount not to exceed \$507,969 to provide National Contingency Plan consulting services for the South Basin Remedial Investigation / Feasibility Study;

WHEREAS, staff has advised that the District is now conducting a CEQA evaluation of the remedy concurrent with the IRAP and requires EA's assistance in addressing public comments on the CEQA evaluation, authorization of Amendment No. 3 to EA's agreement in the amount not to exceed \$50,000 is requested;

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 3 to agreement No. 1428 with Engineering Analytics, Inc. to provide technical support for the South Basin CEQA evaluation for an amount not to exceed \$50,000;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 3 to Agreement No. 1428 with Engineering Analytics, Inc as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

8. Amendment No. Six to Agreement with James Pike for Prado Vireo Monitoring

RESOLUTION NO. 23-12-162
APPROVING AMENDMENT NO. SIX TO AGREEMENT WITH JAMES PIKE
FOR PRADO VIREO MONITORING

WHEREAS, pursuant to Resolution No. 10-2-23 adopted February 17, 2010, as subsequently modified, OCWD authorized Agreement No. 0637 with James Pike for vireo and wildlife monitoring and services in the Prado Basin; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 6 to such Agreement to extend the termination date to December 31, 2025, and increase the not-to-exceed reimbursement amount by \$142,000 over a two-year period;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 6 to such Agreement with James Pike as outlined herein; and, upon approval as to form, its execution by the District officers is authorized.

9. GWRS Pipeline Repair Work

RESOLUTION NO. 23-12-163
APPROVING AMENDMENT NO. 2 TO FD THOMAS, INC. CONTRACT FOR ADDITIONAL
REPAIR WORK TO THE GWRS PIPELINE

WHEREAS, pursuant to Resolution No. 21-3-34 adopted March 3, 2021, as subsequently modified, OCWD authorized Agreement No. 1458 to FD Thomas, Inc. for epoxy coating of portions of the Unit II GWRS Pipeline; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 2 to such Agreement in the amount of \$10,117 for additional repair work to the GWRS pipeline;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 2 to such Agreement with FD Thomas, Inc, as outlined herein; and, upon approval as to form, its execution by the District officers is authorized.

10. Amendment No. 6 to Agreement No. 1175 with Intera, Inc. for Additional Groundwater Modeling Services Regarding Sunset Gap Seawater Intrusion
-

RESOLUTION NO. 23-12-164

APPROVING AMENDMENT TO AGREEMENT WITH INTERA, INC. FOR ADDITIONAL
GROUNDWATER MODELING SERVICES REGARDING SUNSET GAP SEAWATER INTRUSION

WHEREAS, pursuant to Resolution No. 16-7-102 adopted July 20, 2016, as subsequently amended, OCWD issued Agreement No. 1175 to Intera, Inc. for expanding the Alamitos Gap groundwater model into the Sunset Gap area; and

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 6 to such Agreement in the amount of 162,920 for additional groundwater basin modeling of the Sunset Gap area;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned Amendment to Agreement No. 1175 as outlined herein; and, upon approval as to form by General Counsel, its execution by the District officers is authorized.

11. Appointment of John Kennedy to SAWPA Project Committee's 22 and 23

RESOLUTION NO. 23-12-165

APPOINTING JOHN KENNEDY TO SUCCEED MIKE MARKUS AS A
MEMBER OF THE SANTA ANA WATERSHED PROJECT AUTHORITY'S
PROJECT COMMITTEE 22 AND PROJECT COMMITTEE 23

RESOLVED, that John Kennedy is hereby appointed to serve on Santa Ana Watershed Project Authority's Project Committee 22 and Project Committee 23 effective January 27, 2024.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION FINANCE COMMITTEE
MEETING HELD NOVEMBER 9

12. Monthly Cash Control Report

MOTION NO. 23-123

RECEIVING AND FILING THE MONTHLY CASH CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated November 30, 2023 are hereby received and filed.

13. Investment Portfolio Holdings Reports

MOTION NO. 23-124

RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated November 30, 2023 are hereby received and filed.

14. OCWD Personnel Manual Update

MOTION NO. 23-125
APPROVING UPDATED PERSONNEL MANUAL

The updated Personnel Manual effective December 21, 2023, on file at the District office, is hereby approved as presented.

15. Purchase Reverse Osmosis End Cap Seals for RO Trains E, F, and G

RESOLUTION NO. 23-12-166
AUTHORIZING PURCHASE ORDER TO PROTEC ARISAWA FOR PURCHASE ORDER FOR 2,700
END CAP SEALS

RESOLVED, that issuance of a Purchase Order is authorized to Protec Arisawa in an amount not to exceed \$108,000 for 2,700 end cap seals.

16. Award of Chemical Contracts for Water Treatment Systems

RESOLUTION NO. 23-12-167
APPROVING CHEMICAL CONTRACTS FOR WATER TREATMENT SYSTEMS

WHEREAS, pursuant to Resolution No. R21-12-179 adopted December 21, 2021, OCWD authorized Agreements to vendors for the purchase of water treatment chemicals; and

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

- 1) Hydrogen Peroxide: Brenntag Pacific @ \$500/ton
- 2) Citric Acid: Brenntag Pacific. @ \$1214/ton
- 3) Sodium Hypochlorite: JCI Jones @ \$1.721/gal.
- 4) Sulfuric Acid: Univar Solutions USA @ \$226/ton
- 5) Caustic Soda (sodium hydroxide): Brenntag Pacific @ \$676/ton

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

INFORMATIONAL ITEMS

17. Update on Research & Development Activities

Research Director Megan Plumlee provided an update on the following current projects:

1. Ongoing work to upgrade pilots at the District's Engineering Research Center (ERC) including two ultrafiltration (UF) pilots and two reverse osmosis (RO) pilots;

2. Results from a completed pilot study funded by the Southern California Salinity Coalition (SCSC) and United States Bureau of Reclamation (USBR) to evaluate flow-reversal reverse osmosis (FR-RO) as a potential technology to increase GWRS water recovery in the GWRS RO facility; and,
3. Initiation of a new project recently awarded funding from USBR to study a treatment strategy for removing and destroying per- and polyfluoroalkyl substances (PFAS) in GWRS RO concentrate.

18. Water Resources Summary

General Manager Mike Markus stated the report is in the packet.

19. SAWPA Update

Director Whitaker provided an update on recent SAWPA activities.

20. 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.

Dec 05 -	Retirement Committee
Dec 07 -	Communication & Legislative Liaison Committee
Dec 08 -	Property Management Committee
Dec 13 -	Water Issues Committee
Dec 14 -	Administration and Finance Issues Committee

21. Verbal Reports

General Manager Mike Markus reported that OCWD Operations Manager Derick Mansell received an award from the Southwest Membrane Operators Association for *Large Plant Operator of the Year*. He noted that the District also received an award for GWRS, *Plant of the Year*, from the same association.

22. RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 6:01 p.m.as follows:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR [Government Code Section 54956.8]
Real property located at: land adjacent to the Santa Ana River, Anaheim, CA 92806
Parcels (5) - APNs 375-221-01, 375-221-02, 374-791-01, 374-792-02; 253-472-01
OCWD negotiator: Michael Markus
Negotiating party: City of Anaheim
Under negotiation: Price and Terms

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session whereupon General Counsel Jeremy Jungreis advised that there were no reportable items.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 6:50 p.m.

Christina Fuller, District Secretary

Cathy Green, President