

MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
February 7, 2018, 5:30 p.m.

President Bilodeau called to order the February 7, 2018 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 District Secretary called the roll and reported a quorum as follows.

Directors

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

Staff

Michael Markus, General Manager
Joel Kuperberg, General Counsel
Janice Durant, District Secretary

VISITOR PARTICIPATION

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

1. Public Hearing to Consider Increasing Directors' Compensation

President Bilodeau opened the Public Hearing to consider adoption of an Ordinance increasing the Directors' compensation from \$275 to \$288 per day of service, up to a maximum of ten days per month, commencing 60 days from the adoption of the Ordinance (April 9, 2018). General Counsel Kuperberg noted that California Water Code Section 20200, *et seq.*, allows water districts to enact ordinances to increase the amount of compensation that may be received by members of the Board for each day of attendance at meetings of the Board and for each day of service rendered as a member of and by the request of the Board, by an amount not to exceed five percent (5%) for each calendar year following the operative date of the last adjustment of compensation, for up to ten days in any calendar month. There being no persons wishing to address the Board, President Bilodeau closed the public hearing and the following action was taken.

Upon motion by Director Dewane, seconded by Director Bilodeau, the following Ordinance was adopted [6-0].

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

ORDINANCE NO. 2018-01
AN ORDINANCE OF THE ORANGE COUNTY WATER DISTRICT
ESTABLISHING COMPENSATION FOR DIRECTORS OF THE DISTRICT

WHEREAS, since April 2017, the compensation authorized to be paid to a District Director has been fixed at \$275 for attendance at meetings of the Board of Directors and for each day's service rendered as a member of the Board of Directors; and

WHEREAS, California Water Code section 20200, *et seq.*, provide that water agency governing boards may authorize increases in the rate of compensation for directors, in amount not to exceed 5% for each calendar year following the operative date of the last compensation adjustment, if the action is taken by ordinance following the conduct of a public hearing; and

WHEREAS, on January 17, 2018, the Board authorized publication of a notice of public hearing as required by Water Code section 20203 and Government Code section 6066, to be held on February 7, 2018 to consider increasing District Directors' compensation from \$275 to \$288 for attendance at meetings of the Board of Directors and for each day of service on behalf of the District; and

WHEREAS, on February 7, 2018, the Board of Directors conducted the duly noticed public hearing for the proposed Directors' compensation adjustment, and considered all the evidence and testimony presented at that public hearing;

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

Section 1: Each member of the Board of Directors of the District is hereby authorized to receive compensation in the amount of \$288 for each meeting of the Board of Directors attended by that Director, and for each day of service rendered as a Director of the District, other than attending meetings of the Board of Directors, that is authorized, directed and approved by the Board of Directors.

Section 2: Each member of the Board of Directors of the District is hereby authorized to receive compensation for no more than a total of ten (10) days in any calendar month,

Section 3: Pursuant to Water Code section 20204, this ordinance shall become effective on April 9, 2018, which is the 60th day from the date of final passage of this ordinance.

CONSENT CALENDAR

Director Sheldon arrived at 5:36 p.m. at this point in tonight's meeting.

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

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

2. Approval of Cash DisbursementsMOTION NO. 18-10
APPROVING CASH DISBURSEMENTS

Payment of bills for the period January 11 through January 31, 2018 in the total amount of \$16,594,900.47 is ratified and approved.

3. Approval of Minutes of Board MeetingsMOTION NO. 18-11
APPROVING MINUTES OF BOARD MEETINGS

The minutes of the Board of Directors meetings held December 20, 2017, January 3 and January 17, 2018 are approved as presented.

ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT COMMITTEE MEETING
HELD JANUARY 234. Money Purchase Plan Investment Line-Up and Deferred Compensation Plan Red Flag Fund ReviewMOTION NO. 18-12
APPROVING 457(B) DEFERRED COMPENSATION PLAN AND 401(A) MONEY
PURCHASE RETIREMENT PLAN INVESTMENT LINE-UP REVIEW AND
RED FLAG FUND REVIEW

The following actions in connection with the 457(B) Deferred Compensation Plan and the 401(A) Money Purchase Plan are hereby approved as follows, and the 401(A) Money Purchase Retirement Plan investment portfolio and the 457(B) Deferred Compensation Plan investment portfolios are hereby received and filed.

INVESTMENT FUNDS	SYMBOL	ACTION
401 (A) Portfolio		
Tocqueville Gold Fund	TGLDX	Remove and Map to OPGSX
JPMorgan Mid Cap Growth Fund Class A	OSGIX	Remove Red Flag and Keep
Dreyfus Active Mid Cap I	DNLRX	Keep Red Flag
457 (B) Portfolio		
Invesco Gold & Precious Metals Y	IGDYX	Keep Red Flag
Ivy International Core Equity Y	IVVYX	Red Flag
JP Morgan US Small Company Select	JSCSX	Keep Red Flag
JP Morgan US Equity A	JUEAX	Keep Red Flag
Alger Spectra Fund Class I	ASPIX	Remove and Map half to PRWAX and half to GLCTX
BlackRock Inflation Protected Bond Inv A	BPRAX	Keep Red Flag

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD JANUARY 26

- 5. Amendment to License Agreement with T.E. Roberts for Storing of Construction Equipment Located at Ball Road Basin, Anaheim

RESOLUTION NO. 18-2-8
APPROVING AMENDMENT TO LICENSE AGREEMENT WITH T.E. ROBERTS

WHEREAS, pursuant to the General Manager’s signing authority granted under Resolution No. 14-3-29 adopted March 5, 2014, OCWD issued a short-term License Agreement to T.E. Roberts, Inc. for the purpose of storing equipment while performing construction work for the City of Anaheim (City) pipeline construction project,

WHEREAS, the Property Management Committee has recommended execution of Amendment One to such License Agreement with T.E. Roberts, Inc. extending the License through August 31, 2018 for a fee of \$500 per month, with all other Agreement terms to remain the same;

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

- 6. Caltrans Property at Burriss Basin and Gentry Golf, Inc. dba The Islands Golf Center Leasehold

RESOLUTION NO. 18-2-9
APPROVING ACTIONS IN REGARD TO CALTRANS PROPERTY AT BURRIS BASIN AND GENTRY GOLF

WHEREAS, pursuant to Resolution No. 08-8-107 adopted August 6, 2008, OCWD authorized a Lease Agreement to Gentry Golf, Inc., d.b.a. The Islands Golf Center for operation of a golf driving range at the southerly portion of Burriss Basin, located at 14893 Ball Road, Anaheim; and

WHEREAS, the District staff has advised that the lease premises and the southerly portion of Burriss Basin include approximately 1.3 acres of land owned by the California Department of Transportation (Caltrans) that was previously believed to be owned by the District; and

WHEREAS, in this regard, the Property Management Committee of this Board has recommended execution of a temporary month-to-month lease agreement with Caltrans for use of the property while staff continues to negotiate a short-term lease with Caltrans for the continued use of the 1.3 acres; and

WHEREAS, the Property Management Committee has further recommended issuance of a Purchase Order to Fidelity National Title for a preliminary title report on such land; and issuance of a work order in an amount not to exceed \$6,000 to Paragon Partners for the appraisal of the 1.3-acre property;

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 negotiate and execute a month-to-month lease agreement with Caltrans for the aforementioned 1.3 acre portion of land.

Section 2: Issuance of a Purchase Order to Fidelity National Title is authorized in an amount not to exceed \$6,000 for a preliminary title report.

Section 3: Issuance of a work order in an amount not to exceed \$6,000 to Paragon Partners is authorized for the appraisal of the 1.3-acre property.

James Vanderbilt arrived at 5:40 p.m. at this point in tonight's meeting.

7. Implementation of the Unregulated Contaminant Monitoring Rule 4 Program

Executive Director Jason Dadakis advised that in March 2018, the District will begin implementing the Unregulated Contaminant Monitoring Rule 4 program on behalf of the Groundwater Producers, and noted that the UCMR 4 is a United States Environmental Protection Agency (USEPA) requirement for most large public water systems. Mr. Dadakis provided an overview of UCMR 4 preparations completed to date as well as activities scheduled through the year 2021.

8. Santa Ana Watershed Project Authority Activities

Director Whitaker updated the Board on recent SAWPA activities.

9. Committee/Conference/Meeting Reports

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

- January 23 – Retirement Committee
- January 24 – Joint Planning Committee
- January 26 – Property Management Committee

10. VERBAL REPORTS

Director Sarmiento advised that he attended the CalDesal Conference on February 1-2 in Monterey. Director Bilodeau advised that he toured the GWRS facility with the "Seniors are Special" group from Orange. He also advised that he and Mr. Markus held 14 meetings in Washington DC this week regarding OCWD issues. Mr. Markus stated that OCWD was awarded

the Governor's Environmental and Economic Leadership Awards (GEELA) award for its environmental engineering. Director Green reported that she attended the ACWA Region 10 meeting, noting that they discussed SB 223 which establishes a grant program to develop the next generation water utility workers.

11. ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 6:05 p.m. as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

[Government Code Section 54956.9(a)] – 2 cases:

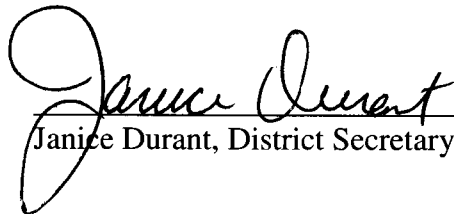
- 1) Irvine Ranch Water District v. *OCWD, et al.* - Superior Court Case No. 30-2016-00858584-CU-WM-CJC
- 2) *OCWD v. Northrop Corporation, et al* (North Basin VOC Litigation) Superior Court Case No. 04CC00715

RECONVENE IN OPEN SESSION


The Board reconvened in Open Session at 6:40 p.m. whereupon General Counsel Kuperberg advised that no reportable action was taken in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:40 p.m.



Janice Durant, District Secretary



Denis Bilodeau, President