

MINUTES OF MEETING  
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT  
March 15, 2023, 5:30 p.m.

President Green called to order the March 15, 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  
Natalie Meeks  
Kelly Rowe  
Stephen Sheldon  
Van Tran  
Bruce Whitaker  
Roger Yoh

Staff

Michael R. Markus, General Manager  
Jeremy Jungreis, General Counsel  
Christina Fuller, Assistant District Secretary

VISITOR PARTICIPATION

There were no visitors wishing to address the Board at tonight's meeting.

1. Public Hearing on 2021-22 Engineer's Report on Groundwater Conditions, Water Supply and Basin Utilization

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President Green opened the Public Hearing to review the 2021-22 Engineer's Report on Groundwater Conditions, Water Supply and Basin Utilization. Director of Engineering Chris Olsen reviewed the key findings of the Engineer's Report as contained in the staff report for tonight's meeting as follows:

- 1) Groundwater production totaled 256,921 acre-feet (af);
- 2) Groundwater stored in OCWD's basin decreased by 10,000 af;
- 3) The accumulated overdraft on June 30, 2022 was 258,000 af;
- 4) The annual overdraft was 128,300 af;
- 5) Average annual overdraft for the immediate past five water years was 132,100 af;
- 6) Projected annual overdraft for the current 2022-23 water year is 80,000 af;
- 7) Projected annual overdraft for the ensuing 2023-24 water year is 97,000 af;
- 8) Projected accumulated overdraft on June 30, 2023 is 208,000 af;
- 9) Under the provisions of Section 27 of the District Act, a portion of the RA for the ensuing 2023-24 water year could be equal to an amount necessary to purchase up to 158,000 AF of replenishment water.

Mr. Olsen then reviewed the Water Supply and Basin Utilization summary of findings as follows: 1) water usage from all supplemental sources and non-local water sources totaled 147,430 af; 2) water usage from recycled water produced from within OCWD including the Groundwater Replenishment System (GWRS) totaled 115,286 af; 3) water demands within OCWD totaled 401,314 af; and 4) estimated demands for groundwater for the ensuing 2023-24 water year are 280,000 AF.

President Green then opened the hearing for public comment. There being no persons wishing to present testimony, President Green declared the hearing closed and the Board took the following action.

MOTION NO. 23-29  
RECEIVING AND FILING ENGINEER'S REPORT ON GROUNDWATER CONDITIONS, WATER  
SUPPLY AND BASIN UTILIZATION

Upon motion by Director Amezcua, seconded by Director Meeks and carried [10-0], the 2021-22 Engineer's Report on Groundwater Conditions, Water Supply and Basin Utilization for the water year ending June 30, 2022 is hereby received and filed.

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Rowe, Sheldon, Tran, Whitaker, Yoh

CONSENT CALENDAR

The Consent Calendar was then approved upon motion by Director Whitaker, seconded by Director Green carried [10-0] as follows.

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

2. Approval of Cash Disbursements

MOTION NO. 23-30  
APPROVING CASH DISBURSEMENTS

Payment of bills for the period of February 23, 2023 through March 08, 2023 in the total amount of \$ 7,753,018.75 is ratified and approved.

3. Minutes of Board of Directors Meetings

MOTION NO. 23-31  
APPROVING MINUTES OF BOARD OF DIRECTORS MEETINGS

The Minutes of the Board of Directors meeting held February 15 and March 1, 2023 are hereby approved as presented.

4. Ratification of Job Classification Addition

MOTION NO. 23-32  
RATIFYING ADDITION OF JOB CLASSIFICATIONS

The following job classification additions to the Research & Development Department are hereby ratified: Laboratory Analyst/Data Scientist (two level series) job classification at salary grades R-13 and R-16, respectively.

5. Approval of Master Sediment Removal Agreement

RESOLUTION NO. 23-3-28  
APPROVING AGREEMENT OF MASTER SEDIMENT REMOVAL

RESOLVED, approval of a Master Sediment Removal Agreement that can be executed by the General Manager with individual contractors for sediment removal at no cost to the District, subject to review as to form and content by the District's General Counsel.

6. No-Cost Time Extension for Agreement with Army Corps of Engineers for Forecast Informed Reservoir Operations Study
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RESOLUTION NO. 23-3-29

APPROVING NO-COST TIME EXTENSION FOR AGREEMENT WITH ARMY CORPS OF ENGINEERS FOR FORECAST INFORMED RESERVOIR OPERATIONS STUDY

RESOLVED, that issuance of an amended Cooperative Research and Development Agreement is authorized with the United States Army Corps of Engineers for Forecast Informed Reservoir Operations Study that provides a no-cost schedule extension to March 31, 2027.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD FEBRUARY 24

7. Review of Potential Access Options for the Imperial Highway Property South of Santa Ana River

MOTION NO. 23-33

DIRECTING STAFF TO ENGAGE ENGINEERING FIRM TO PROVIDE COST ESTIMATES FOR POTENTIAL ACCESS OPTIONS FOR THE IMPERIAL HIGHWAY PROPERTY SOUTH OF SANTA ANA RIVER

Staff is hereby authorized to engage an engineering firm to provide conceptual cost estimates for each access option and to develop key information about the property.

ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT COMMITTEE MEETING HELD FEBRUARY 28

8. Retirement Plan Administrative/Recordkeeping Services for the 401(a) Money Purchase Retirement Plan and the 457 Deferred Compensation Plan for Employees of Orange County Water District
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RESOLUTION NO. 23-3-30

APPROVING AGREEMENT WITH FIDELITY TO PROVIDE RECORDKEEPING AND ADMINISTRATIVE SERVICES TO BOTH THE DISTRICT'S 401(A) MONEY PURCHASE RETIREMENT PLAN AND 457 DEFERRED COMPENSATION PLANS FOR A FIVE-YEAR TERM

WHEREAS, in response to the District's Request for Proposals, the Retirement Committee has recommended selection of Fidelity to provide recordkeeping and administrative services to both the District's 401(a) Money Purchase Retirement Plan and for the 457 Deferred Compensation plan for a five-year term, with the final agreements to be negotiated by the General Manager and General Counsel and approved by the Retirement Committee and the Board of Directors;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the selection of Fidelity to provide recordkeeping and administrative services to both the District's 401(a) Money Purchase Retirement Plan and for the 457 Deferred Compensation plan as outlined herein.



ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD  
MARCH 8

9. Amendment to Agreement with Jacobs to Update Computer Model of Recharge System

RESOLUTION NO. 23-3-31

APPROVING AMENDMENT TO AGREEMENT WITH JACOBS TO UPDATE COMPUTER MODEL  
OF RECHARGE SYSTEM

WHEREAS, pursuant to Resolution No. 09-1-12 adopted January 21, 2009, the OCWD Board approved Agreement No. 1474 with CH2M HILL (now Jacobs Engineering Group, Inc.) for an amount not to exceed \$249,300 for development of a computer model of the District's recharge system; and

WHEREAS; the Water Issues Committee of this Board has recommended issuance of Amendment No. 1 to such Agreement with Jacobs Engineering Group, Inc., for an additional \$18,621 for a total contract amount not to exceed \$28,442 for updates to the recharge facilities computer model;

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

10. Forecast Informed Reservoir Operations at Prado Dam: Phase V - Implementation Support

RESOLUTION NO. 23-3-32

APPROVING AMENDMENT TO AGREEMENT WITH UC SAN DIEGO/SCRIPPS INSTITUTION OF  
OCEANOGRAPHY FOR PHASE IV OF STUDY ON FORECAST-INFORMED RESERVOIR  
OPERATIONS AT PRADO DAM

WHEREAS, pursuant to Resolution No. 17-6-90 adopted June 21, 2017, OCWD approved Sponsored Research Agreement No. 10414-20188035 for the Phase 1 Scoping Study on Forecast-Informed Reservoir Operations (FIRO) at Prado Dam with the Scripps Institute of Oceanography at the University of California, San Diego; and

WHEREAS, pursuant to Resolution No. 18-10-146 adopted October 17, 2018, OCWD approved an Amendment to such Agreement for Phase II of the FIRO Study; and

WHEREAS, pursuant to Resolution No. 20-1-9 adopted January 21, 2020, OCWD approved an Amendment to such Agreement for Phase III of the FIRO Study;

WHEREAS, pursuant to Resolution No. 21-2-27 adopted February 17, 2021 OCWD approved an Amendment to such Agreement for Phase IV of the FIRO Study;

WHEREAS, pursuant to Resolution No. 22-6-78 adopted June 15, 2022 OCWD approved an Amendment to such Agreement for Phase IV of the FIRO Study; and

WHEREAS, the Water Issues Committee of this Board has recommended Amendment to such Agreement with UC San Diego/Scripps Institution of Oceanography for Phase V of the Study on Forecast-Informed Reservoir Operations at Prado Dam by adding an amount not to exceed \$265,000 for Phase V; and

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby resolve that the Amendment to UC San Diego/Scripps Institution of Oceanography by adding an amount not to exceed \$265,000 to complete Phase V of Study on Forecast-Informed Reservoir Operations at Prado Dam is approved as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

11. Contract No. IRWD-2021-1: Change Order Ratification and Budget Increase

MOTION NO. 23-34

RATIFYING CHANGE ORDERS TO CONTRACT NO. IRWD-2021-1, AND AUTHORIZING BUDGET INCREASE

Issuance of Change Order Nos. 1-2 and No. 3, which is not to exceed \$500,000 for additional well casing and well pump rehabilitation work, to Contract No. IRWD-2021-1, Irvine Ranch Water District Well OPA-1 PFAS Treatment System is hereby ratified and an increase in the project budget of \$960k is authorized for a total project budget of \$6.857 million.

12. Consideration to Financially Support a Brackish Groundwater Project Feasibility Study Sponsored by the Mesa Water District

RESOLUTION NO. 23-3-33

AUTHORIZING PAYMENT TO MESA WATER DISTRICT'S LOCAL GROUNDWATER SUPPLY IMPROVEMENT PROJECT

WHEREAS, Mesa Water District (Mesa Water) is developing a feasibility study for a local groundwater supply improvement project that will evaluate potential locations for extraction wells and a treatment plant seaward of the Talbert Barrier to desalinate brackish groundwater.

WHEREAS; Mesa Water is seeking funding assistance from the U.S. Bureau of Reclamation (USBR), OCWD and the cities of Huntington Beach and Newport Beach.

WHEREAS; the Water Issues Committee of this Board has recommended payment of \$50,000 for the District's contribution to Mesa Water District's Local Groundwater Supply Improvement Project;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby authorize payment of \$50,000 for the District's contribution to Mesa Water District's Local Groundwater Supply Improvement Project.

13. Serrano Water District PFAS Water Treatment Plant: Increase Project Budget

MOTION NO. 23-35

APPROVING PROJECT BUDGET INCREASE FOR SERRANO WATER DISTRICT PFAS WATER TREATMENT PLANT

An increase in the project budget for the Serrano Water District PFAS Water Treatment Plant by \$216,186 for a total project budget of \$6,194,245 is authorized.

14. Award Contract GBM-2023-1 for Installation of Shallow Aquifer Monitoring Wells for Annual

Water Level Maps and Storage Calculation

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RESOLUTION NO. 23-3-34

AWARDING CONTRACT GBM-2023-1 TO BC2 ENVIRONMENTAL LLC FOR INSTALLATION OF SHALLOW AQUIFER MONITORING WELLS FOR ANNUAL WATER LEVEL MAPS AND STORAGE CALCULATION

WHEREAS, a Notice Inviting Bids for Contract No. GBM-2023-1, Installation Of Shallow Aquifer Monitoring Wells, was published in The Orange County Register on, January 23, 2023; and

WHEREAS, the following bid was received and opened on February 28, 2023:

BC2 Environmental, LLC	\$84,115
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WHEREAS, the Water Issues Committee of this Board has recommended award of said Contract to the lowest responsive bidder, BC2 Environmental, LLC., in the amount of \$84,115; and

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 Contract No. GBM-2023-1 is received and filed.

Section 2: The lowest responsive bid of BC2 Environmental, LLC., in the amount of \$84,115 is accepted and all other bids are rejected.

15. Amendment No. 2 to Agreement with Engineering Analytics, Inc. for Consulting Services for the South Basin Remedial Investigation / Feasibility Study (RI/FS)
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RESOLUTION NO. 23-3-35

APPROVING AMENDMENT TO AGREEMENT WITH ENGINEERING ANALYTICS, INC. 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 due to additional work requested by OCWD staff and a greater than expected level of effort required to respond to stakeholder comments on the FS Report, authorization of Amendment No. 2 to EA's agreement in the amount of \$70,481 is requested;

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 2 to agreement No. 1428 with Engineering Analytics, Inc. for consulting services for the South Basin Remedial Investigation / Feasibility Study (RI/FS) for an amount not to exceed \$ 70,481;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 2 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.

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

16. Monthly Cash Control Report

MOTION NO. 23-36  
RECEIVING AND FILING THE MONTHLY CASH CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated February 28, 2023 are hereby received and filed.

17. Investment Portfolio Holdings Reports

MOTION NO. 23-37  
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated February 28, 2023 are hereby received and filed.

18. Authorize Execution of Amendment 3 to OCWD-SAWPA Subgrantee Agreement for the Santa Ana River Conservation and Conjunctive Use Program and Amendment 1 to Grant Funding Assignment Agreement with MWDOC

RESOLUTION NO. 23-3-36  
AUTHORIZING EXECUTION OF AMENDMENT NO. 3 TO OCWD-SAWPA SUBGRANTEE  
AGREEMENT FOR THE SANTA ANA RIVER CONSERVATION AND CONJUNCTIVE USE  
PROGRAM AND AMENDMENT 1 TO GRANT FUNDING ASSIGNMENT AGREEMENT  
WITH MWDOC

This Proposition 84 Integrated Regional Water Management Program ("IRWMP") Implementation Grant Funding Contract ("Contract") Amendment No. 3 ("Amendment") is made between Santa Ana Watershed Project Authority ("SAWPA") and Orange County Water District, (the "Sub-Grantee"). SAWPA and the Sub-Grantee may be individually referred to as "Party" and collectively referred to as the "Parties".

WHEREAS, consistent with the Grant Agreement between SAWPA and the California Department of Water Resources ("Grant Agreement"), SAWPA intends to disburse to the Sub-Grantee a portion of the \$64,267,686 in grant funds and matching funds received from certain SAWPA member agencies for the Santa Ana River Conservation and Conjunctive Use ("SARCCUP") Water Use Efficiency Budget Assistance Task by way of this Amendment No. 3 to the Contract.

WHEREAS, consistent with direction from the SAWPA Project Agreement 22 Committee the Sub-Grantee will continue to partner with the Municipal Water District of Orange County ("MWDOC") on implementation of the SARCCUP Water Use Efficiency Budget Assistance Task that was added by Amendment No. 2 to the Contract, by way of this Amendment.

WHEREAS, through management of the project by SAWPA, SAWPA has achieved a cost savings of approximately \$340,000, which is a combination of grant and matching funds, which is eligible to be provided to the Sub-Grantee's partner MWDOC.



THEREFORE, based on the foregoing incorporated recitals and in consideration of the mutual covenants and conditions set forth in the Contract, in Amendments No. 1 and No. 2 thereto (collectively the “Amended Contract”), and in this Amendment, the Parties hereby agree to the following changes to the provisions of the Amended Contract as shown below, with all other provisions of the Amended Contract remaining in effect:

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

Section 1: Amendment No. 3 to OCWD-SAWPA Subgrantee Agreement is authorized, and upon approval as to form by District General Counsel, its execution by the District General Manager is authorized.

Section 2: Amendment No. 1 to The Integrated Regional Water Management 2015 Round implementation Grant Funding Assignment Agreement Between OCWD and MWDOC is authorized; and, upon approval as to form by District General Counsel, its execution by the District General Manager is authorized.

#### MATTERS FOR CONSIDERATION

##### 19. Consideration to Modify the Start Time for Committee Meetings

General Manager Mike Markus reported that staff was requested to include an item on the agenda to discuss and potentially modify the start times for monthly District committee meetings. He stated that the following five committee meetings occur each month, with four of the meetings beginning at 8:00 a.m. and one at 12:00 noon.

Committee Meeting	Committee Chair	Day of Month	Start Time
Legislative Communications	Director Bilodeau	First Thursday	8:00 am
Water Issues	Director Whitaker	Second Wednesday	8:00 a.m.
Administration Finance Issues	Director Yoh	Second Thursday	8:00 a.m.
Retirement	Director Rowe	Fourth Tuesday or as needed	8:00 a.m.
Property Management	Director Sheldon	Fourth Friday	12:00 noon

Director Sheldon stated that moving the 8am committee meetings to 12pm would make the meetings more available with potentially less travel time for the Directors during the off peak hours. Directors Amezcua, Bilodeau and Yoh expressed their support for moving the start time due to heavy work schedules.

#### MOTION NO. 23-38

##### APPROVAL TO MOVE THE COMMITTEE MEETING START TIME TO 12PM ON A TRIAL BASIS

Upon motion by Director Amezcua, seconded by Director Sheldon and carried [10-0], it was agreed to move the start time of the monthly District committee meetings from 8am to 12pm on a trial basis effective April 1, 2023.

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Rowe, Sheldon, Tran, Whitaker, Yoh

##### 20. June 2022 Orange County Grand Jury Report Recommending the Consolidation of Orange County Water District and the Municipal Water District of Orange County Study Session

Executive Director John Kennedy recalled that the Board held a special Board meeting on March 11, 2023, on the recent Orange County Grand Jury Report recommending the consolidation of the Orange County Water District (OCWD) and the Municipal Water District of Orange County (MWDOC). He noted that at the meeting, staff was directed to invite MWDOC to be a co-applicant and share the cost in the OC LAFCO Focused MSR report to evaluate the consolidation of the two agencies and to call a joint meeting of both boards as soon as possible. Mr. Kennedy advised that staff is in the process of scheduling a joint meeting and that a letter was sent to MWDOC on March 13 inviting MWDOC to participate in the LAFCO study as a co-applicant. He stated that the letter requested that MWDOC advise OCWD of its decision within 30 days.

Director Meeks stated that she would like to wait for a response from MWDOC before proceeding with this item.

MWDOC Interim General Manager Harvey De La Torre requested that OCWD hold off moving forward on this item until after the Joint Board meeting between OCWD and MWDOC.

#### MOTION NO. 23-39

#### DEFERRING CONSIDERATION OF THE CONSOLIDATION OF ORANGE COUNTY WATER DISTRICT AND THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Upon motion by Director Meeks and seconded by Director Yoh and carried [10-0], consideration of this item was deferred to the April 5, 2023 Board of Directors Meeting.

Ayes: Amezcua, Bilodeau, Green, Meeks, Nguyen, Rowe, Sheldon, Tran, Whitaker, Yoh

#### INFORMATIONAL ITEMS

##### 21. Water Resources Summary

General Manager Mike Markus provided an update on recent rainfall and advised that a PFAS report with proposed Maximum Contaminant level (MCLs) will be provided at the next Board meeting.

##### 22. SAWPA Commission Activities

Director Whitaker provided an update on the SAWPA Budget.

##### 23. 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.

- ▶ Feb 24 - Property Management Committee (Chair Sheldon)
- ▶ Feb 28 - Retirement Committee (Chair Rowe)
- ▶ March 08 - Water Issues Committee (Chair Whitaker)
- ▶ March 09 - Administration and Finance Issues Committee (Chair Yoh)

##### 24. Verbal Reports

There were no verbal reports given.

25. RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 7:15 p.m.as follows:


- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – [Government Code Section 54956.9(a)] - OCWD v. Sabic Innovative plastics, LLC, et al (South Basin Litigation) Superior Court Case No. 03CC 00078246
- CONFERENCE WITH LABOR NEGOTIATORS – [Government Code Section 54957.6] OCWD designated representative: Stephanie Dosier Employee Organization: Orange County Employee Association

RECONVENE IN OPEN SESSION

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

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 8:10 p.m.

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 Christina Fuller, Asst. District Secretary

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 Cathy Green, President