

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
March 6, 2019, 5:30 p.m.

President Sarmiento called to order the March 6, 2019 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. in the Boardroom at the District office. Director Bilodeau participated via teleconference from: 300 No. Flower Street, Room 788, Santa Ana, CA. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows.

Directors

Denis Bilodeau (via teleconference)
Jordan Brandman
Cathy Green
Dina Nguyen
Kelly Rowe
Vicente Sarmiento
Stephen Sheldon
Tri Ta
Roger Yoh
Ahmad Zahra

Staff

Michael R. Markus, General Manager
Jeremy Jungreis, General Counsel
Janice Durant, District Secretary

PRESENTATION OF RESOLUTION HONORING MICHAEL P. WEHNER

The Board presented Assistant General Manager Michael Wehner with a resolution commending him upon the occasion of his retirement from OCWD.

ITEM RECEIVED TOO LATE TO BE AGENDIZED

General Manager Markus advised that the Board was notified today of the appointment of Ahmad Zahra to replace Bruce Whitaker on the OCWD Board effective immediately. The Board then took the following action adding this item to tonight's agenda.

Upon motion by Director Sheldon, seconded by Director Ta, the following resolution was adopted [9-0-1], with new Director Zahra abstaining.

RESOLUTION NO. 19-3-24
DETERMING NEED TO TAKE IMMEDIATE ACTION REGARDING APPOINTMENT OF
NEW DIRECTOR AHMAD ZAHRA TO DIVISION 10

WHEREAS, pursuant to Government Code Section 54954.2, the District posted the Agenda for its March 6, 2019 Board meeting at least 72 hours prior to the meeting, *to wit*, on March 1, 2019; and

WHEREAS, after posting of such Agenda, the District staff was apprised of the appointment of a new Director by the City Fullerton effective immediately;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby determine the need to take immediate action to consider the within described matter.

Ayes: Bilodeau, Brandman, Green, Nguyen, Rowe, Sarmiento, Sheldon, Ta, Yoh

Abstain: Zahra

The District Secretary advised that she had sworn in Ahmad Zahra just prior to tonight's meeting. The Board then took the following action declaring Director Zahra duly appointed.

MOTION NO. 19-31
DECLARING AHMAD ZAHRA DULY APPOINTED

Upon motion by Director Ta, seconded by Director Nguyen and carried [10-0], Ahmad Zahra is declared a duly appointed member of the OCWD Board representing Division 10 (City of Fullerton) for a term expiring December 2, 2022.

Ayes: Bilodeau, Brandman, Green, Nguyen, Rowe, Sarmiento, Sheldon, Ta, Yoh, Zahra

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Ta, seconded by Director Green and carried as follows, with Director Brandman abstaining on Item No. 1, *Cash Disbursements*-items relating to *Butier Engineering*, due to a prior business relationship:

Ayes: Bilodeau, Brandman, Green, Rowe, Nguyen, Sarmiento, Sheldon, Ta, Whitaker, Yoh

Abstain: Brandman No. 1

CONSENT CALENDAR

1. Approval of Cash Disbursements

MOTION NO. 19-32
APPROVING CASH DISBURSEMENTS

Payment of bills for the period February 14, 2019 through February 27, 2019 in the total amount of \$3,972,051.10 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 19-33
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meetings held February 6, 2019 are approved as presented.

- 3. Nominate Mesa Water District Director Fred Bockmiller to Water Agencies/Joint Powers ACWA JPIA Executive Committee

RESOLUTION NO. 19-3-25
 CONCURRING IN NOMINATION OF FRED BOCKMILLER
 TO THE EXECUTIVE COMMITTEE
 OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/
 JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

WHEREAS, this District is a member district of ACWA/JPIA; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA’s Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA/JPIA member district, Mesa Water District, has requested that this district concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Orange County Water District that this District concurs with the nomination of Fred Bockmiller of Mesa Water District to the Executive Committee of ACWA/JPIA.

BE IT FURTHER RESOLVED, that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082.

- 4. Payment to Army Corps of Engineers for Prado Basin Feasibility Study Expenses

MOTION NO. 19-34
 PAYMENT TO ARMY CORPS OF ENGINEERS FOR
 PRADO BASIN FEASIBILITY STUDY EXPENSES

Payment to the Army Corps of Engineers of \$350,000 for Prado Basin Feasibility Study Expenses is authorized and staff is authorized.

- 5. Limited-Term Employment Agreement for Postdoctoral Research Associate

RESOLUTION NO. 19-3-26
 AUTHORIZING LIMITED-TERM EMPLOYMENT AGREEMENT
 WITH POST DOCTORAL RESEARCH ASSOCIATE JULIO POLANCO

WHEREAS, the District staff has recommended authorization of a Limited Term Employment Agreement with Postdoctoral Research Associate Julio Polanco for a one-year period commencing March 11, 2019 at an hourly rate of \$26.20;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the Limited Term Employment Agreement 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 PROPERTY MANAGEMENT COMMITTEE MEETING HELD FEBRUARY 22, 2019

6. OCTA Consent to Common Use Agreement (CCUA)

RESOLUTION NO. 19-3-27
AUTHORIZING EXECUTION OF ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) CONSENT TO COMMON USE AGREEMENT (CCUA)

WHEREAS, pursuant to Resolution No. 04-1-3 adopted January 7, 2004, the Orange County Flood Control District (OC Flood) granted an easement in the Santa Ana River levee to OCWD for the construction of OCWD’s Groundwater Replenishment System (GWRS) pipeline; and

WHEREAS, due to the widening of State Route 22 (SR 22), which was completed in 2008, the Orange County Transportation Authority (OCTA) purchased land parcels from the County of Orange, one of which included the aforementioned easement granted to OCWD for the GWRS pipeline, and OCTA is in the process of transferring ownership of the parcels that are within the California Department of Transportation (Caltrans) right of way to Caltrans;

WHEREAS, because OCWD has an easement within this parcel, Caltrans is requiring recordation of a Consent to Common Use Agreement (CCUA) to identify the easement: and

WHEREAS, the Property Management Committee of this Board has recommended execution and recordation of such CCUA;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the Orange County Transportation Authority (OCTA) Consent to Common Use Agreement as described herein; and, upon approval as to form by District General Counsel, its execution by the General Manager and recordation is authorized.

7. Lease Amendment with V. Montoya Enterprises, Inc. for Wholesale Container Nursery

RESOLUTION NO. 19-3-28
AUTHORIZING AMENDMENT TO LEASE WITH V. MONTOYA ENTERPRISES, INC.
FOR WHOLESALE CONTAINER NURSERY

WHEREAS, pursuant to Resolution No. 09-4-52 adopted April 1, 2009, and subsequent amendments thereto, OCWD issued a Lease to V. Montoya Enterprises, Inc. (Montoya) for a wholesale Container nursery at 1184 No. Hewes Street, Orange; and

WHEREAS, the Property Management Committee of this Board has presented and recommended approval of Amendment Three to such Lease Agreement with Montoya to extend the termination date to March 31, 2024, and to replace the amended Rent Schedule with a revised Rent Schedule to reflect a 3% per annum rent increase; and to include an option to renew the Lease for one five-year term, subject to Board consent;

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

8. Amendment to Lease with Sandwood Enterprises Inc. dba. Orange County Sandbagger for Property Located at 2424 N. Batavia Street, Orange

RESOLUTION NO. 19-3-29
AUTHORIZING LEASE AMENDMENT WITH SANDWOOD ENTERPRISES INC.
DBA ORANGE COUNTY SANDBAGGER

WHEREAS, pursuant to Resolution No. 07-4-50 adopted April 4, 2007, and subsequent amendments thereto, OCWD entered into a lease agreement with Sandwood Enterprises, Inc., d.b.a. Orange County Sandbagger, for a sandbagging operation at 2424 No. Batavia Street in the City of Orange through March 31, 2017; and

WHEREAS, the Property Management Committee of this Board has recommended approval of Amendment No. Four to such lease to extend the Lease expiration date to March 31, 2024, with an option to renew the Lease for five additional years subject to Board consent;

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

9. Exclusive Due Diligence Agreement (EDDA) for Cable-Tow Recreational Wakeboarding Facility (Wakeboarding Park) at Miraloma Basin

RESOLUTION NO. 19-3-30
AUTHORIZING EXECUTION OF EXCLUSIVE DUE DILIGENCE AGREEMENT FOR A
CABLE-TOW RECREATIONAL WAKEBOARDING FACILITY AT MIRALOMA PARK

WHEREAS, the Property Management Committee of this Board has recommended entering into an Exclusive Due Diligence Agreement (EDDA) with Dave Wabiszewski for a potential cable-tow recreational wakeboarding facility (Wakeboarding Park) at Miraloma Basin;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby authorize negotiation of an EDDA with Mr. Wabiszewski as outlined herein; and, upon approval as to form and content by District General Counsel, its execution by the District officers is authorized.

9. Leasing Interests for The Islands Golf Property at Burriss Basin

MOTION NO. 19-35
DETERMINING THAT 15-ACRES AT BURRIS BASIN IS NOT SUITABLE FOR
GROUNDWATER RECHARGE AND HAS MINIMAL STORAGE VALUE AND
REQUESTING INTERESTED PARTIES TO SUBMIT PROPOSALS
FOR USE OF THE PROPERTY

The Board hereby determines that the 15-acre portion of Burriss Basin located at the southern end of Burriss Basin adjacent to Ball Road is not suitable for groundwater recharge and has minimal storage value, and staff is requested to request interested parties to submit proposals for use of the property.

INFORMATIONAL ITEMS

10. Proposed Fiscal Year 2019 - 20 Budget

District Treasurer/Chief Financial Officer Randy Fick provided an overview of the proposed Fiscal Year 2019-2020 budget of \$247.8 million. He reviewed the proposed General Fund, Water Budget, and Capital Improvement Projects, and advised that the proposed budget is based upon a reduction in the Basin Production Percentage from 77% to 75% and increase in the Replenishment Assessment (RA) from \$462 per acre-foot to \$499/af. Mr. Markus noted that with the significant amount of rainfall received this winter, staff might be revising these numbers to give some RA relief to the Groundwater Producers.

11. Santa Ana Watershed Project Authority Activities

General Manager Markus updated the Board on recent SAWPA activities. He stated that OCWD is trying to get its projects ranked through its own funding region.

12. Committee/Conference/Meeting Reports

The Board reported on the Property Management Committee meeting and noted the Action Agenda was included in tonight's Board packet.

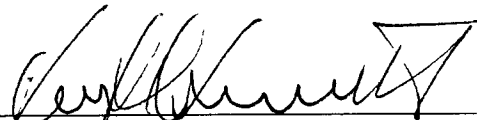
13. Verbal Reports

Director Ta reported that he and Directors Brandman, Bilodeau, Yoh attended the American Society of Civil Engineers (ASCE) award dinner on February 21 at which OCWD was awarded the ASCE Orange County Branch's Water Treatment Project Award of the Year for the Mid-Basin Water Injection - Centennial Park Project.

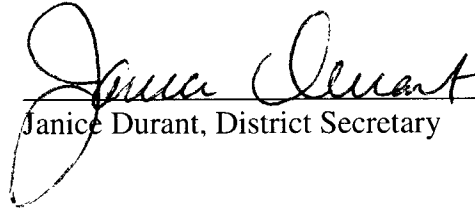
Mr. Markus invited the Board to attend the WateReuse California annual conference in Garden Grove on March 18-19.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:30 p.m.



Vicente Sarmiento, President



Janice Durant, District Secretary