

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

President Bilodeau called to order the March 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. Director Nguyen participated via teleconference from 200 Edenvale Avenue, San Jose. 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 (absent)  
Cathy Green  
Dina Nguyen (via teleconference)  
Vicente Sarmiento  
Stephen Sheldon (absent)  
James Vanderbilt  
Bruce Whitaker  
Roger Yoh (arrived 5:50 p.m.)

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.

CONSENT CALENDAR

Director Nguyen recorded a "No" vote on Item No. 2, *Minutes of March 7 Board meeting*. There being only six Directors present, the item was deferred to the next Board meeting. The balance of the Consent Calendar was then approved upon motion by Director Sarmiento, seconded by Director Whitaker and carried [6-0] as follows:

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

1. Approval of Cash Disbursements

MOTION NO. 18-23  
APPROVING CASH DISBURSEMENTS

Payment of bills for the period February 15, 2018 through February 28, 2018 in the total amount of 4,125,218.10 is ratified and approved.

2. Approval of Minutes of Board Meetings

This item was deferred to the next Board meeting.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT  
COMMITTEE MEETING HELD FEBRUARY 23

3. Lease Amendment with Gentry Golf and Consent to Sublease with DH and Lo, Inc. for  
Golf Pro Shop at Burris Basin

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RESOLUTION NO. 18-3-19  
AUTHORIZING AMENDMENT TO LEASE AGREEMENT WITH GENTRY GOLF, INC.  
DBA THE ISLAND GOLF CENTER AT BURRIS BASIN  
AND CONSENTING TO SUBLEASE WITH DH AND LO, INC.  
DBA OLYMPUS GOLF PRO

WHEREAS, pursuant to Resolution No. 91-12-284 adopted December 18, 1991, and subsequent amendments thereto, the OCWD Board entered into a Lease with Gentry Golf, Inc., dba The Islands Golf Center, L.P. (Gentry), for operation of a golf driving range and related activities at OCWD's Burris Basin; and

WHEREAS, pursuant to Resolution No. 08-8-107 adopted August 6, 2008, the OCWD Board approved an Amended and Restated Lease Agreement with Gentry providing for, among other things, a lease renewal for 10 years through September 30, 2018; and

WHEREAS, the Property Management Committee has recommended issuance of Amendment One to such Lease Agreement requiring Gentry to provide additional General Liability insurance coverage, and

WHEREAS, the Committee has further recommended consent to a Sublease between DH and LO, Inc., dba Olympus Golf Pro and Gentry Golf, Inc.;

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

Section 1: Amendment One to the Lease Agreement with Gentry Golf, Inc. is authorized as outlined herein, and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

Section 2: Consent to a Sublease between DH and LO, Inc., dba Olympus Golf Pro and Gentry Golf, Inc. is authorized.

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

RESOLUTION NO. 18-3-20  
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. Three to such lease extending the Lease expiration date to March 31, 2019, with all other terms and conditions of the Lease to remain the same;

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

MATTERS FOR CONSIDERATION

5. GWRS Final Expansion Project – Scinor Membrane Demonstration Test

President Bilodeau noted that staff received a full presentation on this item at the last Board meeting. There being no further questions for staff and, upon motion by Director Green, seconded by Director Whitaker, the following resolution was unanimously adopted [6-0].

Ayes: Bilodeau, Green, Nguyen, Sarmiento, Whitaker, Vanderbilt

Absent: Anthony, Dewane, Sheldon, Yoh

RESOLUTION NO. 18-3-21  
AUTHORIZING PURCHASE OF SCINOR WATER AMERICA ULTRAFILTRATION  
MEMBRANES AND AUTHORIZING AMENDMENT TO AGREEMENT WITH SPI  
ENGINEERING FOR TECHNICAL SUPPORT FOR SCINOR MEMBRANE  
DEMONSTRATION CELL

WHEREAS, the District staff has recommended purchasing and installing 684 Scinor microfiltration membranes for the GWRS Final Expansion Project at a cost of \$528,140 in order to determine whether the successful pilot study results remain consistent on a larger scale, and to allow the staff to determine the increased production of microfiltration filtrate using this membrane; and

WHEREAS, staff has further recommended issuance of Amendment No. 1 to SPI Engineering Agreement No. 1264 for an amount not to exceed \$25,000 for technical design support for the Scinor membrane demonstration cell;

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

Section 1: Issuance of a Purchase Order to Scinor Water America is authorized in the amount of \$528,140 for 684 ultrafiltration membranes.

Section 2: Amendment No. 1 to SPI Engineering Agreement No. 1264 is authorized for an amount not to exceed \$25,000 for technical design support for the Scinor membrane demonstration cell.

Director Yoh arrived at 5:50 p.m. during the following presentation.

#### INFORMATIONAL ITEMS

6. FY 2018-19 Budget Presentation

General Manager Mike Markus advised that the District received a letter today from the Cities of Anaheim, Fullerton and Santa Ana requesting that the Replenishment Assessment (RA) not be raised this year. District Chief Financial Officer/Treasurer Randy Fick then provided an overview of the FY 2018-19 budget totaling \$237.7 million. He noted the budget assumes maintaining a 75% Basin Production Percentage, and increasing the RA from \$445 to \$472 per acre foot.

7. Santa Ana Watershed Project Authority Activities

There was no discussion of this item.

8. Committee/Conference/Meeting Reports

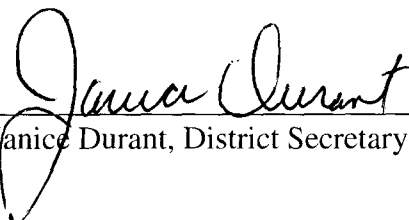
The Board reported on the Property Management Committee meeting held February 23 and noted the Action Agenda was included in tonight's Board packet.


9. VERBAL REPORTS

Director Bilodeau reported on his attendance at the World Water Tech Innovation Summit in London on February 20-21.

10. ADJOURNMENT

General Counsel Kuperberg advised that there was no need to adjourn to Closed Session at tonight's meeting. There being no further business to come before the Board, the meeting was adjourned at 5:56 p.m.

  
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Janice Durant, District Secretary

  
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Denis Bilodeau, President