

MINUTES OF BOARD OF DIRECTORS MEETING
WATER ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
April 13, 2016 @ 8:00 a.m.

The Water Issues Committee meeting Vice Chair Director Anthony called the meeting to order in the District Boardroom in Fountain Valley, CA. The Assistant District Secretary reported a quorum of the Committee.

Committee Members

Denis Bilodeau (arrived 8:20 a.m.)
Phil Anthony
Shawn Dewane
Dina Nguyen
Roman Reyna

Alternates

Steve Sheldon (arrived 8:20 a.m.)
Jan Flory (not present)
Jordan Brandman (not present)
Roger Yoh (not present)
Cathy Green

OCWD staff

Mike Markus, General Manager
Joel Kuperberg, General Counsel
Judy-Rae Karlsen, Assistant District Secretary
John Bonsangue, Dave Bolin, Dan Bott,
Ryan Bouley, Jason Dadakis, Randy Fick,
David Fields, Greg Woodside, Roy Herndon,
John Kennedy, Chris Olsen, Mehul Patel,
Jana Safarik, Sandy Scott-Roberts, Ben Smith,
Mike Wehner, Marsha Westropp Greg Woodside,
Lee Yoo

Others

Debbie Cook
Howard Johnson – Brady
Marc Marcantonio, Steve Conklin - Yorba Linda
Water District
Tom McCarthy – City of Anaheim
Nabil Saba – City of Santa Ana
Paul Shoenberger – Mesa Water District

VISITOR COMMENTS

Mesa Water District General Manager Paul Schoenberger reported that Groundwater Producers are interested in the District budgeting process and they are anxious to discuss the setting of the Replenishment Assessment (RA) and Basin Pumping Percentage (BPP). Debbie Cook stated that if Producers are concerned about an increased RA this year, they will certainly be concerned when the costs for the desalination project impact the budget.

CONSENT CALENDAR

Director Nguyen abstained from voting on Item No. 1, Minutes of Previous Meeting. Director Dewane requested that Item No. 8, Amendment to Agreement No. 0911 with Northwest Habitat Institute to Support the Prado Basin Feasibility Study be removed from the Consent Calendar for further discussion. The remainder of the Consent Calendar was then approved upon motion by Director Dewane, seconded by Director Reyna and carried [5-0].

[Item 1: Yes- Anthony, Dewane, Reyna, Green /Abstain-Nguyen]

[Items 2-7,9: Yes- Anthony, Nguyen, Dewane, Reyna, Green /No – 0]

1. Minutes of Previous Meeting

The Minutes of the Administration and Finance Issues Committee meeting held March 9, 2016 were approved as presented.

2. Public Right-Of-Way Encroachment Permits to Access District-Owned Monitoring Wells in Santa Ana

Recommended by Committee for approval at April 20 Board meeting: Authorize staff to execute City of Santa Ana Encroachment Permit renewal for continued access to OCWD-owned monitoring wells in public rights-of-way, including payment to City of Santa Ana for permit fee of \$5,113.09.

3. Department of Navy License Agreements for Monitoring Wells and Geotechnical Investigation at Naval Weapons Station and Authorize Payment of License Fees

Recommended by Committee for approval at April 20 Board meeting: 1) Authorize staff execution of License Agreement N6871193RP03P54 with the Department of the Navy for the continued monitoring of existing OCWD monitoring wells at the Naval Weapons Station Seal Beach, including payment of processing fee of \$8,400; and 2) Ratify staff execution of License Agreement N6247316RP00036 with Department of Navy allowing a geotechnical investigation and repair work at abandoned well site OCWD-BS13, including payment of processing fee of \$5,616.

4. Agreement to Stantec Consulting Services for Conrock-Warner Transfer Tube Design

Recommended by Committee for approval at April 20 Board meeting: Authorize issuance of Agreement to Stantec Consulting Services for an amount not to exceed \$85,497 for the Conrock-Warner Transfer Tube Project Design Services.

5. Agreement to Kleinfelder for Center Levee Corrugated Metal Pipe (CMP) Transfer Pipes Repair Project Design Services

Recommended by Committee for approval at April 20 Board meeting: Authorize issuance of Agreement to Kleinfelder, Inc. for an amount not to exceed \$62,641 for the Center Levee CMP Transfer Pipes Repair Project Design Services.

6. Amendment to Agreement No. 0827 to Aquilog, Inc. for Database Management for the South Basin Groundwater Protection Project Remedial Investigation

Recommended by Committee for approval at April 20 Board meeting: Authorize Amendment No. 2 to Agreement No. 0827 with Aquilogic, Inc. in the amount of \$55,600 for services to update and maintain the South Basin project database for 12 months and provide access to Hargis + Associates.

7. Replacement of Two 24-Inch Valves on the Green Acres Project Pipeline System

Recommended by Committee for approval at April 20 Board meeting: Receive and file staff report.

8. Amendment to Agreement No. 0911 with Northwest Habitat Institute to Support the Prado Basin Feasibility Study

This item was removed from the Consent Calendar for further discussion.

9. Santa Ana Sucker Habitat Restoration Project: Resolution Adopting Initial Study/Mitigated Negative Declaration and Approving Project

Recommended by Committee for approval at April 20 Board meeting: Adopt Resolution which includes the following for the Santa Ana Sucker Habitat Restoration Project: Adopt the Initial Study/Mitigated Negative Declaration for the Project; Declare the Santa Ana Sucker Habitat Project duly instituted and establish the Project budget of \$110,000; Authorize staff to complete the permitting process with the Army Corps of Engineers and the resource agencies, execute the permits received for the Project from the Army Corps of Engineers and the resource agencies, and prepare and implement the Habitat Management Program for the Project; and Authorize filing of Notice of Determination.

ITEM REMOVED FROM THE CONSENT CALENDAR

8. Amendment to Agreement No. 0911 with Northwest Habitat Institute to Support the Prado Basin Feasibility Study

Director Dewane requested that staff provide additional information on the Amendment to the Agreement with Northwest Habitat Institute for the Prado Basin Feasibility Study. Executive Director Greg Woodside reviewed the project and reported that Northwest Habitat Institute will need to conduct additional modeling and habitat assessments and these tasks were not included in the original scope of work approved by the Board in May 2013 or as part of previously approved amendments. The Committee then took the following action.

Upon motion by Director Dewane, seconded by Director Reyna and carried [5-0], the Committee recommended that the Board at its April 20 Board meeting: Authorize issuance of Amendment No. 3 to Agreement No. 0911 with Northwest Habitat Institute for an amount not to exceed \$45,232 to conduct additional tasks for habitat assessment and modeling for the Prado Basin CA Feasibility Study bringing the total Agreement to \$288,194.

MATTERS FOR CONSIDERATION

10. Agreement to Jamison Engineering Contractors, Inc. to Provide GWRS Pipeline Inspection Services

Principal Engineer Sandy Scott-Roberts reviewed the Jamison Engineering Contractors, Inc. proposal for GWRS pipeline inspections. She advised that due to the corrosive nature of GWRS water, variable water flows and chemicals used in the treatment process, the interior concrete lining of the pipeline requires periodic inspections to maintain the pipeline's integrity. Ms. Scott-Roberts advised that this work will take place during the GWRS plant shut down and Jamison Engineering Contractor, Inc. has provided a competitive quote for this project and has conducted previous pipeline inspections. The Committee then took the following action.

Upon motion by Director Green, seconded by Director Dewane and carried [5-0], the Committee recommended that the Board at its April 20 Board meeting: Authorize issuance of Agreement with Jamison Engineering Contractor, Inc. for an amount not to exceed \$293,039 for GWRS pipeline inspection services.

[Yes- Anthony, Nguyen, Dewane, Reyna, Green /No – 0]

Director Bilodeau and Sheldon arrived during the following discussion.

11. Mid-Basin Injection: Centennial Park Project Certification of Environmental Impact Report and approval of Revised Engineer's Report and Budget

Engineer Ben Smith reviewed the Mid-Basin Injection (MBI) project, the project timeline, and he advised the Engineer's Report was revised to include an additional scope of work determined necessary as a result of the MBI demonstration project. He noted staff recommends approval of the increased project budget from \$26 million to \$33 million and certifying the Environmental Impact Report to allow staff to submit a Proposition 1 grant funding request. Director Bilodeau stated his concern about the \$33 million project budget and encouraged staff to pursue grant funding to reduce project costs. He requested this item be agendaized as a Matter for Consideration at the April 20 Board meeting. The Committee discussed Director's concerns and then took the following actions.

Upon motion by Director Reyna, seconded by Director Dewane and carried [5-0], the Committee recommended that the Board at its April 20 Board meeting: Agendaize this item as a Matter for Consideration; and Adopt Resolution approving the Mid-Basin Injection: Centennial Project which includes the following items: Certifying the Final Environmental Impact Report for the Project; Adopting the Findings of Fact and the Mitigation Monitoring Reporting Program; Approve the Project and establish the Project budget of \$33,000,000; Receive and File Revised Engineer's Report; and Authorize filing of Notice of Determination. [Yes- Bilodeau, Anthony, Nguyen, Dewane, Reyna /No – 0]

12. Proposed FY 2016-17 Capital Improvement Program Budget

Director of Engineering Chris Olsen presented the proposed Capital Improvement Program (CIP) budget for Fiscal Year 2016-17 and reported the total budget is \$32.9 million and includes 17 projects. He noted that CIP projects are funded by debt proceeds, grants, state revolving fund loans and \$7 million from operating revenues.

Mr. Olsen advised the decision to include a project in the CIP is determined by the following objectives; 1) Increasing the District's recharge capacity to allow for increased sustainable production out of the groundwater basin; 2) Protecting water quality in the basin; and 3) Protecting the coastal portion of the groundwater basin. He presented the proposed budget for the following CIP projects.

CIP PROJECT	(\$)	AMOUNT
Mid Basin Injection	\$	9,103,711
Alamitos Seawater Barrier Improvements	\$	7,851,574
GWRS Final Expansion (Design)	\$	6,000,000
North Basin Extraction Well	\$	2,860,581
La Palma Recharge Basin	\$	2,075,208
South Basin Groundwater Protection Project	\$	1,662,704
Santiago and Burris Basin Tracer Study	\$	1,580,325
Prado Sediment Management	\$	1,026,065
Lower Santiago Creek Recharge Project (Design)	\$	170,000

Burriss Basin Booster Pump Station & Outlet	\$	150,000
Access Control Upgrade	\$	100,000
Watershed and Wildlife Exhibit (Design)	\$	100,000
East Newport Mesa Groundwater Investigation	\$	51,000
GAP Connection to GWRS (Design)	\$	50,000
ARTIC Injection Well	\$	50,000
Santa Ana River Injection Wells	\$	50,000
Conrock-Warner Transfer Tube	\$	25,000
Total	\$	32,906,168

The Committee briefly discussed the CIP projects and Mr. Olsen advised the Committee that the CIP budget will be presented to the Board at the April 20 Board meeting for review and final approval. The Committee took the following action.

Upon motion by Director Anthony, seconded by Director Dewane and carried [5-0], the Committee recommended that the Board at its April 20 Board meeting: Receive and file the staff report.

[Yes- Bilodeau, Anthony, Nguyen, Dewane, Reyna /No – 0]

ITEM TO BE AGENDIZED AS MATTER FOR CONSIDERATION AT THE APRIL 20 BOARD MEETING

The Committee recommended that Items No. 11, Mid-Basin Injection: Centennial Park Project Certification of Environmental Impact Report and approval of Revised Engineer's Report and Budget be agendized as a Matter for Consideration at the April 20 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:35 a.m.



Director Denis Bilodeau