

MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
May 2, 2018, 5:30 p.m.

President Bilodeau called to order the May 2, 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 Assistant District Secretary called the roll and reported a quorum as follows.

Directors

Philip Anthony
Denis Bilodeau
Shawn Dewane
Cathy Green
Dina Nguyen
Vicente Sarmiento
Stephen Sheldon (arrived 5:35 p.m.)
James Vanderbilt
Bruce Whitaker
Roger Yoh

Staff

Michael Markus, General Manager
Joel Kuperberg, General Counsel
Christina Fuller, Assistant District Secretary

VISITOR PARTICIPATION

Orange County Coastkeeper representative Ray Hiemstra requested a future agenda item regarding the progress of the proposed new term sheet Poseidon has negotiated with OCWD.

Yorba Linda Water District representative Al Nederhood questioned the need, benefit, cost and risks associated with the Poseidon project.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Dewane, seconded by Director Green and carried [9-0] as follows:

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

1. Approval of Cash Disbursements

MOTION NO. 18-56
APPROVING CASH DISBURSEMENTS

Payment of bills for the period April 12, 2018 through April 25, 2018 in the total amount of \$5,278,826.12 is ratified and approved.

2. Approval of Minutes of Board MeetingMOTION NO. 18-57
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held April 4, 2018 are approved as presented.

ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT COMMITTEE MEETING
HELD APRIL 243. RFP for Retirement Plan Vendor/Recordkeeping Services for Money Purchase Plan for Employees of Orange County Water District and Voluntary 457 PlansMOTION NO. 18-58
AUTHORIZING RFP FOR RECORDKEEPING SERVICES FOR THE DISTRICT'S
RETIREMENT PLANS

Issuance of a Request for Proposals is authorized for recordkeeping services for the District's Money Purchase Plan for Employees of Orange County Water District and Voluntary 457 Plans.

4. 457(b) Deferred Compensation Plan Investment Line-up review and 401(a) Red Flag Fund reviewMOTION NO. 18-59
APPROVING 457(B) DEFERRED COMPENSATION PLAN INVESTMENT LINE-UP
REVIEW AND 401(A) MONEY PURCHASE PLAN 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		
Dreyfus Active Mid Cap I	DNLRX	Remove and Map to UMBMX
457 (B) Portfolio		
Invesco Gold & Precious Metals Y	IGDYX	Keep Red Flag
Prudential Jennison Health Sciences A	PHLAX	Red Flag
Virtus Vontobel Emerging Markets Opps I	HIEMX	Red Flag
Ivy International Core Equity Y	IVVYX	Keep Red Flag
JP Morgan US Small Company Select	JSCSX	Keep Red Flag
JP Morgan US Equity A	JUEAX	Keep Red Flag
BlackRock Inflation Protected Bond Inv A	BPRAX	Keep Red Flag

5. Retirement Plan Fund Share Class Changes

MOTION NO. 18-60
 APPROVING 457(B) DEFERRED COMPENSATION PLAN AND 401(A) MONEY
 PURCHASE RETIREMENT PLAN PROPOSED FUND SHARE CLASS CHANGES

The following Fund Share Class Changes for the 457(B) Deferred Compensation Plan and the 401(A) Money Purchase Retirement Plan are hereby approved as follows:

INVESTMENT FUNDS	TICKER	NEW TICKER	NEW SHARE CLASS
401 (A) Portfolio			
Oppenheimer Gold & Special Minerals A	OPGSX	OGMYX	Y
Dreyfus Natural Resources A	DNLAX	DLDRX	I
JPMorgan Mid Cap Growth A	OSGIX	JMGQX	R4
MassMutual Select Mid Cap Growth R4	MEFFX	MMELX	Adm
JPMorgan Equity Income I	HLIEX	OIERX	R5
DoubleLine Core Fixed Income N	DLFNX	DBLFX	I
457 (B) Portfolio			
Prudential Jennison Health Sciences A	PHLAX	PHSZX	Z
Principal Real Estate Securities R4	PRETX	PREPX	R5
Columbia Seligman Global Tech A	SHGTX	CCHRX	Adv
AllianzGI Global Water A	AWTAX	AWTIX	Instl
Ivy International Core Equity Y	IVVYX	ICEIX	I
Fidelity Advisor® Small Cap Growth I	FCIGX	HGITX	R5
Janus Henderson Enterprise T	JAENX	JMGRX	I
JPMorgan US Equity A	JUEAX	JUEQX	R4
BlackRock Inflation Protected Bond Inv A	BPRAX	BPRIX	Instl

Director Sheldon arrived during staff's discussion of the following item.

MATTER FOR CONSIDERATION

6. SAWPA/City of Riverside Housing Authority Proposed MOU on Homelessness

Executive Director Greg Woodside stated that the Santa Ana Watershed Project Authority (SAWPA) Commission at its May 15 meeting will consider approval of a Memorandum of Understanding (MOU) regarding homelessness with the City of Riverside's Housing Authority. He stated OCWD staff believes a water quality study should be conducted to assess if there are significant negative impacts to water quality from homeless encampments adjacent to the Santa Ana River prior to additional expenditure of SAWPA funds or state grant funds related to addressing homelessness. He requested that consideration of the MOU should be deferred until such study is completed. SAWPA General Manager Rich Haller stated that the proposed MOU will develop answers and data to address OCWD staff concerns. Orange County Coastkeeper representative Ray Hiemstra stated that there is a need to work on homelessness issues due to its effect on water quality and urged the Board to support and expedite the proposed MOU. Staff was directed to schedule a future OCWD board workshop regarding Disadvantaged Community programs and funding sources that SAWPA is administering.

MOTION NO. 18-61
AUTHORIZING TRANSMITTAL OF A LETTER TO THE SAWPA COMMISSION
MEMBERS DEFERRING CONSIDERATION OF PROPOSED SAWPA/CITY OF
RIVERSIDE HOUSING AUTHORITY MOU ON HOMELESSNESS

Upon motion by Director Anthony, seconded by Director Dewane and carried [10-0], transmittal of a letter to SAWPA Commission containing the following elements is hereby authorized:

- 1) OCWD believes a water quality study should be conducted to assess if there are significant negative impacts to water quality from homeless encampments adjacent to the Santa Ana River prior to additional expenditure of SAWPA funds or state grant funds related to addressing homelessness
- 2) Consideration of the MOU should be deferred until after the water quality study is completed; and
- 3) If there is a water quality issue related to homelessness encampments adjacent to the Santa Ana River OCWD, would participate in determining appropriate follow-up actions.

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

INFORMATIONAL ITEMS

7. Santa Ana Watershed Project Authority Activities

There was no discussion on this item.

8. 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.

April 24 – Retirement Committee
April 25 – Joint Planning Committee

9. Verbal Reports

Director Bilodeau advised that he attended the City of Santa Ana Council meeting where OCWD was presented with a Water Awareness Month and Drinking Water Week proclamation. Director Green stated she will attend the ACWA 2018 Spring Conference this month and requested that an update on Poseidon be agendized for a future Board meeting.

ADJOURNMENT TO CLOSED SESSION

10. The Board adjourned to Closed Session at 6:25 p.m. as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION –
[Government Code Section 54956.9(a)] – 2 cases:
OCWD v. Sabic Innovative plastics, LLC, et al (South Basin Litigation)
Superior Court Case No. 03CC 00078246

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
[Government Code Section 54956.8] Real property located at: Parcels (3)
253-473-01 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
253-631-32 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
253-631-39 - 1200 S. Phoenix Club Drive, Anaheim, CA 92806
OCWD negotiator: Michael Markus
Negotiating party: Various Parties
Under negotiation: Price and Terms

RECONVENE IN OPEN SESSION

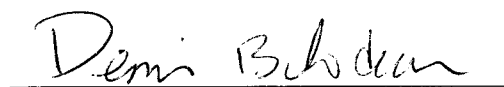
The Board reconvened in Open Session at 7:20 p.m. whereupon General Counsel Kuperberg announced that the Board by a unanimous vote of 10-0 took the following action in Closed Session:
Ayes: Anthony, Bilodeau, Dewane, Green, Nguyen, Sarmiento, Sheldon, Vanderbilt, Whitaker, Yoh

RESOLUTION NO. CS-18-5-1
DENYING CLAIM FILED BY SOCO WEST DATED MARCH 26, 2018

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:20 p.m.


Christina Fuller, Assistant District Secretary


Denis Bilodeau, President