

MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
June 20, 2018, 5:30 p.m.

President Bilodeau called to order the June 20, 2018 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. in the Boardroom at the District office. Participating via teleconference were: Director Anthony - 3701 Monserate Hill Road, Fallbrook, and Director Vanderbilt - 320 So. Beach Blvd., Anaheim. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows.

Directors

Philip Anthony (via teleconference)
Denis Bilodeau
Shawn Dewane
Cathy Green
Dina Nguyen
Vicente Sarmiento
Stephen Sheldon (arrived 5:55 p.m.)
James Vanderbilt (via teleconference)
Bruce Whitaker
Roger Yoh (arrived 5:50 p.m.)

Staff

Michael Markus, General Manager
Joel Kuperberg, General Counsel
Janice Durant, District Secretary

VISITOR PARTICIPATION

Yorba Linda resident Wayne Miller requested the District provide projected plans for the current and projected growth of water demand over the next 10-20 years and the sources of water to meet that demand that includes recent conservation legislation and the GWRS and Water Fix projects. He requested discussion of the proportionality of costs for the proposed desalination plant between existing and new consumers of water.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Dewane and carried [8-0] by roll call vote as follows:

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

1. Approval of Cash Disbursements

MOTION NO. 18-67
APPROVING CASH DISBURSEMENTS

Payment of bills for the period May 31, 2018 through June 13, 2018 in the total amount of \$11,812,399.55 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 18-68
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held May 23, 2018 are approved as presented.

3. Resolution Honoring William R. Dunivin Upon his Retirement

RESOLUTION NO.18-6-63
HONORING WILLIAM R. DUNIVIN UPON HIS RETIREMENT AND FOR HIS
DEDICATED SERVICES TO THE DISTRICT AND THE FIELD OF WATER REUSE

WHEREAS, William (Bill) R. Dunivin's technical, operational and managerial expertise have significantly contributed to the success of water reuse and water resource management efforts not only in Southern California, but around the world; and,

WHEREAS, Bill began his career at the Orange County Water District (OCWD; the District) more than 44 years ago in 1974 as a WF-21 plant operator and demonstrated exceptional potential. WF-21 began operation in 1976 to protect the Orange County Groundwater Basin from further seawater intrusion. It treated wastewater utilizing a state-of-the-art purification process, which included reverse osmosis, and injected it into 23 multi-casing injection wells along the Talbert Gap forming a hydraulic barrier to seawater intrusion; and,

WHEREAS, in 1988, Bill led the effort to carry out major modifications to WF-21 to increase its production to 15 million gallons per day (MGD). Thanks to Bill's leadership, WF-21's performance and reliability were improved dramatically by evaluating equipment and processes to develop more efficient and economical treatment technology. Bill pioneered experiments aimed at optimizing the advanced waste treatment train and at reducing reverse osmosis pre-treatment requirements; and,

WHEREAS, in 1991, aided by Bill's efforts, WF-21 received a permit to inject recycled water into the groundwater basin without blending it with deep well water. Bill later helped oversee the expansion of this facility to reach a production of 22.6 MGD; and

WHEREAS, Bill's outstanding success associated with WF-21 helped to launch the Green Acres Project (GAP) in 1991, a water recycling effort that provides reclaimed water for landscape irrigation at parks, schools and golf courses as well as for industrial uses. The GAP Santa Ana Reservoir, completed in 1993 provided an additional 1,100 acre-feet per year (AFY) of recycled water for use in Orange County; and,

WHEREAS, Bill's successful management of WF-21 helped pave the way for the world's largest wastewater purification system for indirect potable reuse, the Groundwater Replenishment System (GWRS). Bill's dedicated work has led to modifications that have enhanced the system's performance. Bill's willingness to share his knowledge of issues and successes has benefited the membrane industry tremendously. This success also led to the 2015 expansion of the GWRS increasing production from 70 MGD to 100 MGD – enough water for 850,000 people; and,

WHEREAS, Bill is widely respected and sought out for his extensive experience solving difficult technical issues while fostering an environment of collaboration amongst all levels of his work force. He has been a strong proponent of applied research of new technologies for water reclamation and the publishing of these results to help benefit the water industry at large; and,

NOW, THEREFORE, BE IT RESOLVED: the Board of Directors of the Orange County Water District wishes to honor and congratulate William R. Dunivin for his dedication and successful leadership at OCWD and in the water industry and wishes him great happiness, health, and success in his retirement. Adopted: June 20, 2018

4. Ratification of Job Classification Changes

MOTION NO. 18-69
RATIFY JOB CLASSIFICATION MODIFICATIONS & ADDITIONS

The following job classification modifications & additions are hereby ratified:

Laboratory:

- Laboratory Technician – Grade R-8 to R-9
- LIMS Data Analyst – Grade R-9 to R-10
- Senior Laboratory Technician – Grade R-10 to R-11
- Chemist – Grade R-13 to R-14
- Senior Chemist – No change (R-17)
- Addition: Principal Chemist classification R-19
- Supervising Chemist – Grade R-19 to R-20

Water Production Department:

- Addition: Distribution & Injection Well Supervisor R-17
- Addition: Chief Operator R-19

ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING
HELD JUNE 13, 2018

5. Agreement to Valley Cities/Gonzales Fence, Inc. for On-Call Fence Repairs

RESOLUTION NO. 18-6-64
APPROVING AGREEMENT WITH VALLEY CITIES/GONZALES FENCE, INC. FOR ON-
CALL FENCE REPAIRS FOR RECHARGE BASINS

RESOLVED, that issuance of an Agreement is authorized to Valley Cities/Gonzales Fence, Inc., for an amount not to exceed \$25,000 for on-call fence repairs for the recharge basins, for a period of one year with the option to renew for two years; and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

6. Agreement with Soltis and Company Inc. for Landscape Maintenance Services

RESOLUTION NO. 18-6-65
APPROVING AGREEMENT WITH SOLTIS AND COMPANY INC. FOR LANDSCAPE
MAINTENANCE SERVICES AT SANTIAGO BASIN BIKE TRAIL

RESOLVED, that issuance of an Agreement is authorized to Soltis and Company Inc. for an amount not to exceed \$36,000 per year for a three-year period for landscape services; and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

7. Support for AWWA/CWEA Program

MOTION NO. 18-70
APPROVING SUPPORT FOR AWWA/CWEA PROGRAM FOR CERTIFICATION OF
ADVANCED TREATMENT OPERATORS

Financial participation in the amount of \$20,000 is authorized for American Water Works Association/California Water Environment Association (AWWA/CWEA) to assist with establishment of a certification program for operators of advanced water purification facilities.

8. Purchase Order to Agilent Technologies for Renewal of Service Support for Laboratory Systems

RESOLUTION NO. 18-6-66
AUTHORIZING PURCHASE ORDER TO AGILENT TECHNOLOGIES FOR RENEWAL OF
SERVICE SUPPORT AGREEMENT FOR GAS CHROMATOGRAPHS AND GAS
CHROMATOGRAPH/MASS SPECTROMETER (GC/MS)

RESOLVED, that issuance of a Purchase Order is authorized to Agilent Technologies in the amount of \$109,563 for renewal of the Support Service Agreement with prepayment option commencing July 1, 2018 to cover analytical systems (Gas Chromatographs and Gas Chromatograph/Mass Spectrometer) used within the laboratory.

9. Amendment to Agreement with Ruth Villalobos and Associates for Prado Basin Feasibility Study Support
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RESOLUTION NO. 18-6-67
APPROVING AMENDMENT TO AGREEMENT WITH RUTH VILLALOBOS AND ASSOCIATES TO SUPPORT THE PRADO BASIN FEASIBILITY STUDY

WHEREAS, pursuant to Resolution No. 16-6-79 adopted June 15, 2016, as amended, OCWD issued Agreement No. 1170 to Ruth Villalobos and Associates to support the Prado Basin Feasibility Study; and

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 3 to such Agreement for an amount not to exceed \$84,000 for continued services to support the Prado Basin Feasibility Study;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned Amendment No. 3 to Agreement No. 1170 as described herein; and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

10. Purchase Orders for New Conductors for Submersible Pump #3 at Anaheim Lake

RESOLUTION NO. 18-6-68
APPROVING PURCHASE ORDERS TO XYLEM WATER SOLUTIONS USA, INC. FOR NEW MOTOR CONTROL CABLES AND PHILATRON FOR ELECTRICAL CONDUCTORS FOR SUBMERSIBLE PUMP NO. 3 AT ANAHEIM LAKE

RESOLVED, that issuance of the following purchase Orders is authorized for repair of Submersible Pump No. 3 at Anaheim Lake:

- 1) Xylem Water Solutions USA, Inc. in the amount of \$21,264 for new motor control cables; and
 - 2) Philatron in the amount of \$113,333 for new electrical conductors.
11. Contract No. AB-2016-1, Alamitos Barrier Improvement Project Injection Well Improvements (Kiewit Infrastructure West Company): Change Orders No. 2-6

MOTION NO. 18-71
APPROVING CHANGE ORDERS TO CONTRACT NO. AB-2016-1, ALAMITOS BARRIER IMPROVEMENT PROJECT INJECTION WELL IMPROVEMENTS (KIEWIT INFRASTRUCTURE COMPANY)

Issuance of Change Orders No. 2 – 6 is authorized to Kiewit Infrastructure West Company, for a total amount not to exceed \$256,395 for changes to the Alamitos Barrier Improvement Project Injection Well Improvements.

- 12. Contract No. SC-2017-1, Santiago Pipeline 66-Inch Butterfly Valve Replacement Project Change Orders No. 1-3 to Kaveh Engineering & Construction, Inc

MOTION NO. 18-72

RATIFYING CHANGE ORDERS TO CONTRACT NO. SC-2017-1, SANTIAGO PIPELINE
 66-INCH BUTTERFLY VALVE REPLACEMENT PROJECT
 (KAVEH ENGINEERING & CONSTRUCTION, INC.)

Issuance of Change Orders No. 1 – 3 is authorized to Kaveh Engineering & Construction, Inc., for a total amount not to exceed \$55,550 for changes to the Santiago Pipeline 66-Inch Butterfly Valve Replacement Project.

- 13. GWRS Unit I Pipeline Rehabilitation Project – Categorical Exemption, Award Contract, Inspection Agreement and Construction Support Agreement

RESOLUTION NO. 18-6-69

AUTHORIZING FILING OF CATEGORICAL EXEMPTION FOR CONTRACT
 NO. GWRS-2018-1, GWRS UNIT I PIPELINE REHABILITATION PROJECT, AWARDING
 CONTRACT TO F.D. THOMAS, INC., AND AUTHORIZING AGREEMENT TO CSI
 SERVICES INC., FOR INSPECTION AND TESTING SERVICES AND
 AND JAMISON ENGINEERING CONTRACTORS FOR
 CONSTRUCTION SUPPORT SERVICES

WHEREAS, a Notice Inviting Bids for Contract No. GWRS-2018-1, GWRS Unit 1 Pipeline Rehabilitation Project Alternative A, was published in *The Orange County Register* on April 23, 2018; and

WHEREAS, the following bids were received and opened on May 23, 2018:

F.D. Thomas	\$4,833,540
Certified Coatings	7,926,178
Spinello	9,631,790
Abbe & Svoboda	11,302,577

WHEREAS, the District staff has advised of inconsequential bid informalities in the bid received by F.D. Thomas and has recommended the Board waive such informalities and award the contract to the lowest responsive bidder F.D. Thomas in the amount of \$4,833,540; and

WHEREAS, in connection with such contract, staff has further recommended issuance of an Agreement to CSI Services, Inc. for inspection and testing services for an amount not to exceed \$72,252; and an Agreement to Jamison Engineering Contractors, Inc. for construction support services for an amount not to exceed \$159,400; and

WHEREAS, staff has further recommended a reduction in the total project budget to \$6,100,000;

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

Section 1: The inconsequential bid informalities in the bid received by F.D. Thomas are hereby waived and its bid in the amount of \$4,833,540 is accepted and all other bids are rejected.

Section 2: Issuance of an Agreement to CSI Services, Inc. is authorized for inspection and testing services for an amount not to exceed \$72,252.

Section 3: Issuance of an Agreement to Jamison Engineering Contractors, Inc. is authorized for construction support services for an amount not to exceed \$159,400.

Section 4: The total project budget is reduced to \$6,100,000.

Section 5: Filing of a Categorical Exemption for such project is authorized in accordance with California Environmental Quality Act guidelines.

14. Additional Monitoring Wells for North Basin Remedial Investigation

RESOLUTION NO. 18-6-70

APPROVING NORTH BASIN REMEDIAL INVESTIGATION ADDITIONAL MONITORING WELL INSTALLATION PROJECT: ADOPTING FINAL IS/MND, APPROVING GEOLOGIST'S REPORT, AUTHORIZING AWARD OF WELL CONSTRUCTION CONTRACT, AND AUTHORIZING AMENDMENT TO RI/FS CONSULTANT'S AGREEMENT

WHEREAS, the District has previously identified the existence of groundwater contamination consisting of volatile organic compounds ("VOC") at concentrations in excess of Maximum Contaminant Levels and Notification Levels for drinking water in the northern part of the Basin underlying the City of Fullerton and the City of Anaheim, generally west of SR-57, north of SR-91, east of Brookhurst Street, and south of Commonwealth Avenue ("North Basin"); and

WHEREAS, the District has executed an Administrative Settlement Agreement with the U.S. Environmental Protection Agency whereby the District committed to conducting a Remedial Investigation and Feasibility Study ("RI/FS") for an Interim Remedy to address VOCs in groundwater in the North Basin area; and, the RI scope of work includes the installation of eight additional monitoring wells at five locations; and

WHEREAS, the District has undertaken an Initial Study in accordance with guidelines established under Article VI of the California Environmental Quality Act (CEQA) Cal. Admin. Code Section 15000, et. seq., and determined that a Mitigated Negative Declaration is the appropriate CEQA document with respect to the potential environmental impacts associated with the construction and sampling of groundwater monitoring wells; and

WHEREAS, such Initial Study/Mitigated Negative Declaration has determined that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions to the project have been made by or agreed to by the applicant; and

WHEREAS, the District issued a Notice Inviting Bids to retain a driller to install eight monitoring wells in five locations; and

WHEREAS, the District has retained a consultant, AECOM, to provide technical services in support of the RI/FS; and

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

Section 1: The Board of Directors does hereby find that:

- i) The Initial Study identifies potentially significant effects on the environment, but (A) revisions in the project plans or proposals made by, or agreed to by, the District as the applicant before the proposed negative declaration and initial study were released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur, and (B) there is no substantial evidence, in light of the whole record before the lead agency, that the project, as revised, may have a significant effect on the environment;
- ii) The Initial Study/Mitigated Negative Declaration reflects the independent judgment and analysis of the Board of Directors of the District, as the lead agency for the project; and
- iii) Prior to approving the project, the Board of Directors of the District has considered the Initial Study/Mitigated Negative Declaration together with any comments received during the public review process, and any responses to such comments.

Section 2: The Final Initial Study/Mitigated Negative Declaration for the North Basin Remedial Investigation Additional Monitoring Well Installation Project is hereby adopted.

Section 3: Staff is authorized to file a Notice of Determination.

Section 4: The Geologist's Report is hereby approved.

Section 5: A revised project budget of \$2,014,654 is hereby established.

Section 6: The project is determined feasible, necessary and beneficial to the lands of the District, and is declared duly instituted.

Section 7: The Affidavit of Publication of Notice Inviting Bids for Contract GBM-2018-2 is hereby received and filed.

Section 8: The lowest responsive bid of BEKS Acquisition dba BC2 Environmental in the amount of \$618,040 is accepted and all other bids are rejected.

Section 9: Amendment No. 1 to Agreement No. 1189 with AECOM in the amount of \$396,700 is authorized; and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE
ISSUES COMMITTEE MEETING HELD JUNE 14, 2018

15. Monthly Cash Control Report

MOTION NO. 18-73
RECEIVING AND FILING THE MONTHLY CASH CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated April 30, 2018 are hereby received and filed.

16. Monthly Cash Control Report

MOTION NO. 18-74
RECEIVING AND FILING THE MONTHLY CASH CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated May 31, 2018 are hereby received and filed.

17. Investment Portfolio Holdings Reports

MOTION NO. 18-75
RECEIVING AND FILING THE INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated April 30, 2018 are hereby received and filed.

18. Investment Portfolio Holdings Reports

MOTION NO. 18-76
RECEIVING AND FILING THE INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated May 31, 2018 are hereby received and filed.

19. Agreement to Lillestrand Leadership Consulting for Staff Leadership Development

RESOLUTION NO. 18-6-71
APPROVING AGREEMENT TO LILLESTRAND LEADERSHIP CONSULTING FOR
STAFF LEADERSHIP DEVELOPMENT

RESOLVED, that issuance of an Agreement is authorized to Lillestrand Leadership Consulting for an amount not to exceed \$31,975 for staff leadership development; and, upon approval as to form by District General Counsel, its execution by the District staff is authorized.

20. OCWD 401(a) Money Purchase Plan and 457(b) Deferred Compensation Plan Audit Reports

MOTION NO. 18-77
RECEIVING AND FILING THE PENSION PLAN AUDIT REPORTS FOR OCWD 401(A)
MONEY PURCHASE PLAN AND 457(B) DEFERRED COMPENSATION PLAN

The 401(a) Money Purchase Plan Audit Report and the 457(b) Deferred Compensation Plan Audit Report prepared by White Nelson Diehl Evans, LLP for the period ending December 31, 2017 are hereby received and filed.

21. Agreed-Upon Procedures in Addition to Annual Audit

RESOLUTION NO. 18-6-72
RECEIVING AND FILING AGREED UPON PROCEDURES REPORT PREPARED BY
WHITE NELSON DIEHL EVANS, LLP

The Agreed-Upon Procedures Report prepared by White Nelson Diehl Evans, LLP is hereby received and filed.

22. Pre-Audit Meeting for Compliance with Auditing Standards Board – Standard No. 114

MOTION NO. 18-78
SELECTING DIRECTORS FOR PRE-AUDIT MEETING WITH AUDITORS FOR
COMPLIANCE WITH AUDITING STANDARDS BOARD – STANDARD NO. 114

The following Directors are selected to attend a pre-audit meeting with the auditors after the July 12, 2018 Administration/Finance Issues Committee meeting: Directors Bilodeau, Dewane and Whitaker.

23. Renewal of 2018-19 Tax and Revenue Anticipation Notes

RESOLUTION NO. 18-6-73
 AUTHORIZING THE EXECUTION AND DELIVERY OF TAX AND REVENUE
 ANTICIPATION NOTES TO SUPPORT THE EXISTING ORANGE COUNTY WATER
 DISTRICT COMMERCIAL PAPER PROGRAM

WHEREAS, the Board of Directors of the Orange County Water District (the "District"), a political subdivision duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "State"), has entered into a commercial paper program through the OCWD Public Facilities Corporation (the "Corporation"); and

WHEREAS, to implement the commercial paper program, the Board of Directors of the Corporation has adopted a resolution (the "Corporation Resolution") providing for the execution and delivery of Orange County Water District Commercial Paper Notes (the "Commercial Paper Notes"); and

WHEREAS, in order to secure the Commercial Paper Notes, the District has issued tax and revenue anticipation notes in the aggregate principal amount of \$70,000,000 (the "Prior Notes"), pursuant to Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code for the fiscal year ending June 30, 2018; and

WHEREAS, in order to continue the commercial paper program relating to the fiscal year ending June 30, 2019, it is desirable to issue a tax and revenue anticipation notes to replace the Prior Notes.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ORANGE COUNTY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall have the meanings herein specified.

"Authorizing Law" means Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the California Government Code.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder.

"Commercial Paper Notes" means Certificates issued pursuant to Resolution No. C-94-4-12 of the Corporation, adopted on April 20, 1994.

"Corporation" means the OCWD Public Facilities Corporation.

"District" means the Orange County Water District.

"Installment Purchase Agreement" means the Installment Purchase Agreement, dated as of July 1, 2009 by and between the Corporation and the District as amended and supplemented from time to time.

"Net Revenues" means Net Revenues as defined in the Installment Purchase Agreement.

"Notes" means the Tax-Exempt Notes and the Taxable Notes to be issued hereunder.

"Parity Obligations" means Bonds and Contracts, as defined in the Installment Purchase Agreement.

“Regulations” means the income tax regulations promulgated or proposed by the Department of the Treasury pursuant to the Code from time to time, including temporary regulations, to the extent applicable.

“Tax-Exempt Notes” means the Orange County Water District 2018-19 Tax-Exempt Tax and Revenue Anticipation Note to be issued hereunder.

“Taxable Notes” means the Orange County Water District 2018-19 Taxable Tax and Revenue Anticipation Note to be issued hereunder.

“Trustee” means U.S. Bank National Association, and any successor thereto.

Section 2. Issuance of the Notes; Amount; Terms; Interest Rate; Place of Payment.

Pursuant to the Authorizing Law, the Tax-Exempt Note and the Taxable Note shall be issued in an aggregate principal amount of \$70,000,000 which, when added to the interest payable thereon, will not exceed 85 percent of the estimated amount of the then uncollected taxes, income, revenue, cash receipts, and other moneys of the District which will be available for the payment of the Commercial Paper Notes and the interest thereon. A certificate of the Chief Financial Officer certifying to such effect, in the form attached hereto as “Exhibit C,” shall be completed by the Chief Financial Officer on or prior and as a condition to, the delivery of the Notes. The Tax-Exempt Note shall be designated “Orange County Water District 2018-19 Tax-Exempt Tax and Revenue Anticipation Note” and shall be dated the date of issuance thereof. The Taxable Note shall be designated “Orange County Water District 2018-19 Taxable Tax and Revenue Anticipation Note” and shall be dated the date of issuance thereof. The Notes shall be payable at the office of the District at such times and in such amounts as set forth in the Notes. The Notes shall mature and be payable no later than 15 months after their dates of issuance. The Notes shall bear a rate of interest which shall be determined on a daily basis and shall be a rate which when multiplied by the principal amount of such Notes outstanding on such day will be equal to interest accruing with respect to the respective Commercial Paper Notes outstanding on such day and shall be payable in accordance with the form of the Notes. The Notes shall be prepayable in whole or in part on any day on which the Corporation notifies the District that principal with respect to the Notes is due and payable and that the District declines to cause additional Notes to be sold to repay such maturing Note.

Section 3. Execution of the Notes. The President, First Vice President or Second Vice President is hereby authorized and directed to sign the Notes, by such officer’s manual, printed, lithographed or facsimile signatures.

Section 4. Form of the Notes. The Notes shall be issued in substantially the form set forth in “Exhibit A” and “Exhibit B” attached hereto and incorporated herein and may be issued in typewritten form.

Section 5. Notes Non-Callable. The Notes are not subject to call and redemption prior to the maturity date thereof, except as set forth in Section 2 hereof.

Section 6. Security for the Notes; Pledge of Net Revenues. As security for the payment of the principal of and interest on the Notes, the District hereby pledges the Net Revenues of the District on a parity with payment of Parity Obligations of the District. The District hereby acknowledges that the Notes shall constitute “Bonds” for purposes of the Installment Purchase Agreement.

Section 7. Good Faith Estimates. The Board of Directors acknowledges that the good faith estimates required by Section 5821.1 of the California Government Code are disclosed in the staff report and are available to the public at the meeting at which this resolution is approved.

Section 8. Certified Copies. The District Secretary shall provide a certified copy of this document to the Chief Financial Officer who shall take such action as shall be necessary to assure compliance by the District with the terms and conditions hereof. The District Secretary shall further provide a certified copy of this document to the Trustee.

Section 9. Cancellation of Prior Notes. The Notes shall be executed and delivered simultaneously with the cancellation of the existing Prior Notes.

Section 10. Effective Date. This resolution shall take effect immediately.

24. Budget to Actual Report for Third Quarter 2017-18

MOTION NO. 18-79
RECEIVING AND FILING BUDGET TO ACTUAL REPORT FOR
THIRD QUARTER FY 2017-18

The Budget to Actual Report for the Fiscal Year 2017-18 Third Quarter ending March 31, 2018 is hereby received and filed

INFORMATIONAL ITEMS

Director Yoh arrived at 5:50 p.m. and Director Sheldon arrived at 5:55 p.m. during the Informational Items portion of tonight’s Agenda.

25. Construction Projects Update

District Engineer Chris Olsen provided an update on the construction of the Alamitos Barrier Injection Wells, Mid Basin Injection – Centennial Park, and Upper & Lower Five Coves Rehabilitation Project.

26. Santa Ana Watershed Project Authority Activities

Director Whitaker gave a brief update on SAWPA activities.

27. Water Resources Summary

There was no discussion of this item.

28. 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.

- June 07 - Communication and Legislative Liaison Committee
- June 13 - Water Issues Committee
- June 14 - Administration and Finance Issues Committee

29. VERBAL REPORTS

President Bilodeau advised that he was traveling to Washington DC next week for several meetings. Director Dewane announced that he recently attended meetings in Washington DC with Congressman Dana Rohrabacher. Director Sarmiento thanked staff for his recent tour of the Mid-Basin Injection Wells at Centennial Park.

30. ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 5:57 p.m. as follows:

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: City of Anaheim

Under negotiation: Price and Terms

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION –

[Government Code Section 54956.9(a)] – two cases:

1) *OCWD v. Unocal Corporation, et al* (MTBE Litigation) Superior Court Case No. 03CC00176

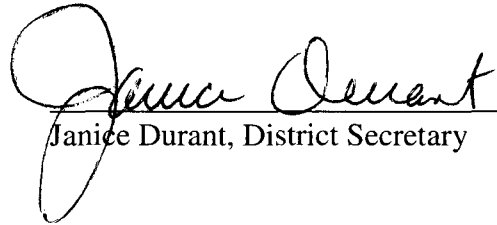
2) *Sabic Innovative plastics, LLC, et al* (South Basin Litigation) Superior Court Case No. 03CC 00078246

RECONVENE IN OPEN SESSION


The Board reconvened in Open Session at 6:55 p.m. whereupon General Counsel Kuperburg announced that no reportable action took place in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:55 p.m.



Janice Durant, District Secretary



Denis Bilodeau, President