

MINUTES OF BOARD OF DIRECTORS MEETING
WITH COMMUNICATIONS AND LEGISLATIVE LIAISON COMMITTEE
ORANGE COUNTY WATER DISTRICT
July 2, 2015 @ 8:00 a.m.

Director Sidhu called the Communications and Legislative Liaison Committee meeting to order in Conference Room C-2 at the District office. The Recording Secretary called the roll as follows:

Committee Members

Harry Sidhu, Chair
Phil Anthony
Dina Nguyen (not present)
Roman Reyna (not present)
Steve Sheldon

Alternates

Roger Yoh
Shawn Dewane (not present)
Jan Flory (not present)
Denis Bilodeau (not present)
Cathy Green

OCWD Staff

Mike Markus - General Manager
Christina Fuller - Recording Secretary
Alicia Dunkin, Gina Ayala

Teleconference

Eric Sapirstein - ENS Resources
Jim McConnell - McConnell & Associates

Others

Cori Williams - Townsend Public Affairs
Eric O'Donnell - Townsend Public Affairs

VISITOR PARTICIPATION

There were no persons wishing to address the Committee on matters not on today's Agenda.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Anthony, seconded by Director Green and carried [5-0] as follows.

[Yes - Sidhu, Anthony, Sheldon, Yoh, Green/No - 0]

1. Minutes of Previous Meeting

The minutes of the June 4, 2015 Communications/Legislative Liaison Committee meeting are approved as presented.

MATTERS FOR CONSIDERATION

Director Sheldon requested the Committee advance Item No. 4, OCWD Media Relations Policy on today's agenda. The Committee agreed to his request.

4. OCWD Media Relations Policy

General Manager Mike Markus reminded the Committee of the request for an OCWD media relations policy. He reported staff has been working on the policy and is open to suggestions or comments from the Board. Directors Sheldon and Green stated they would like to make a few modifications to the policy moving forward. Principal Communications Specialist Gina Ayala noted the media policy was reviewed and approved by General Counsel Joel Kuperberg. Following a brief discussion, the Committee took the following action.

Upon motion by Director Sheldon, seconded by Director Anthony and carried [5-0, the Committee recommended the Board at its July 15 Board meeting: Adopt the Media Relations Policy (on file at the District office).

[Yes - Sidhu, Anthony, Sheldon, Yoh, Green/No - 0]

2. Federal Legislative Update

Legislative advisor Jim McConnell teleconferenced into the meeting and provided an update on legislative activities and recent meetings with legislators in Washington DC. Legislative advisor Eric Sapirstein teleconferenced into the meeting and discussed HR 2898 (Valadao), The Western Water and American Security Act of 2015 and its impact on OCWD. He recommended the District send a letter of support to Congressman Valadao for the proposed bill.

Legislative Affairs Liaison Alicia Dunkin distributed a letter for funding for the Clean Water State Revolving Fund (CWSRF). The Committee then took the following action.

Upon motion by Director Anthony, seconded by Director Yoh the Committee recommended [5-0] the Board at its July 15 Board meeting: Authorize transmittal a letter of support of HR 2898 The Western Water and American Security Act of 2015 to Congressmen Valadao.

[Yes -Sidhu, Anthony, Sheldon, Yoh, Green/ No -0]

3. State Legislative Update

Ms. Dunkin gave an update on OCWD's part in developing Proposition 1 (Water Bond) funding mechanisms. She reported OCWD hosted the State Water Resources Control Board (SWRCB) to provide suggestions for the SWRCB grant management program. She then reviewed the following OCWD Guiding Principles for the Implementation of Proposition 1 (Water Bond) Guidelines.

OCWD Guiding Principles

Implementation of Proposition 1 (Water Bond) Guidelines

(Chapter 10 \$900,000,000 for Groundwater Sustainability for the prevention and cleanup of groundwater contamination)

Based on the workshop provided by the State Water Resources Control Water Board (SWRCB) and Orange County Water District (OCWD) we offer the following suggestions for the SWRCB grant management program:

- Grant cap provided at \$20 million per project
- Of the \$900 million, provide 50% to 75% for grants and the remainder for low interest loans
- Allow projects that receive grants to also receive loans for the remaining cost of the project
- Assess a community's ability to pay for operations and maintenance of a facility based on (1) bond rating (2) ability to collect and assess fees and (3) have the funds for ongoing operation and maintenance
- When considering the contaminants to cleanup, prioritize anthropogenic-caused over naturally occurring.
- Further define in the guidelines the requirements for monitoring and reporting (suggest the same as required by Proposition 84)
- Provide added consideration for projects that can provide local cost-share
- Rank projects highest that have the following project benefits:
 - (A) Threat posed by groundwater contamination to drinking water supply that serves the highest population;
 - (B) Potential for groundwater contamination to spread/impair the aquifer

Chapter 10 of Proposition 1 states "Funding used in this chapter shall not be used to pay any share of the costs of remediation recovered from parties responsible for the contamination of a groundwater storage aquifer, but may be used to pay costs that cannot be recovered from

responsible parties. Parties that receive funding for remediating groundwater storage aquifers shall exercise reasonable efforts to recover the costs of groundwater cleanup from the parties responsible for the contamination. Funding recovered from responsible parties may only be used to fund treatment and remediation activities.”

- Advocate that “reasonable efforts to recover the costs of groundwater cleanup from the parties responsible for the contamination,” includes:
 - The issuance of cleanup orders by environmental regulatory agencies such as the Department of Toxic Substances Control (DTSC) and the Regional Water Quality Control Board shall constitute a reasonable effort by the applying water agency when those orders have been denied or ignored by the PRP
 - Litigation against the PRPs calling for environmental restoration shall constitute a reasonable effort by the applying water agency
 - Identification of a site as “orphan” without a surviving responsible entity, shall automatically constitute a reasonable effort by the applying water agency

Townsend Public Affairs representative Cori Williams discussed the Environmental Protection Agency Budget Trailer Bill. After a brief discussion, the Committee took the following action.

Upon motion by Director Yoh, seconded by Director Anthony and carried [5-0], the Committee recommended the Board at its July 15 Board meeting: Adopt the OCWD Guiding Principles for the Implementation of Proposition 1 (Water Bond) for Chapter 10 Groundwater Sustainability.

[Yes – Sidhu, Anthony, Sheldon, Yoh, Green /No – 0]

INFORMATIONAL ITEMS

5. Public Affairs FY 2014-2015 Report

General Manager Markus stated the Public Affairs Fiscal Year 2014-2015 Report is in today’s packet. He noted the significance of the Public Affairs outreach accomplishments of the past year and stated the report also highlights the goals and initiatives for the upcoming year.

6. Water Education Corridor Project Update

Mr. Markus gave a brief update on the status of the OCWD Water Education Corridor Project. He stated 95% design of the OCWD Water Education Corridor Project has been completed and approved by the Visitor Center Ad Hoc Committee. He reported the project would be completed in approximately three months.

7. GWRS Initial Expansion Dedication

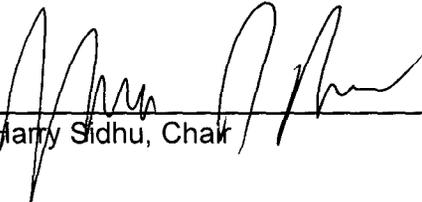
Mr. Markus commented on the success of the GWRS Dedication Ceremony and thanked the elected officials, Board members and staff who attended.

ITEMS TO BE PLACED ON CONSENT CALENDAR FOR JULY 15 BOARD MEETING

The Committee recommended that Item Nos. 2-4 be placed on the Consent Calendar for the July 15 Board meeting.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 9:05 a.m.



Harry Sidhu, Chair