

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
July 3, 2019, 5:30 p.m.

President Sarmiento called to order the July 3, 2019 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 Secretary called the roll and reported a quorum as follows.

Directors

Denis Bilodeau
Jordan Brandman
Cathy Green
Dina Nguyen (arrived 5:52 p.m.)
Kelly Rowe
Vicente Sarmiento
Stephen Sheldon
Tri Ta
Roger Yoh (arrived 5:46 p.m.)
Ahmad Zahra

Staff

Michael R. Markus, General Manager
Jeremy Jungeis, General Counsel
Janice Durant, District Secretary

VISITOR PARTICIPATION

Mesa Water District (Mesa) Director Jim Fisler reviewed his qualifications to serve on the Orange County Local Agency Formation Commission (LAFCO) and requested Board support for his election. East Orange County Water District Director Doug Davert and Mesa Water District Director Fred Bockmiller requested Board support for Jim Fisler's election to LAFCO.

Santa Margarita Water District President Sandra Jacobs requested Board support for her election to the Orange County Local Agency Formation Commission (LAFCO).

Directors Nguyen and Yoh arrived following approval of the Consent Calendar approval.

CONSENT CALENDAR

The Consent Calendar was then approved upon motion by Director Rowe, seconded by Director Green and carried [8-0] as follows, with Director Brandman abstaining on Item No. 1, *Cash Disbursements*, items relating to *Sagecrest Planning and Environmental* and *Southern California Gas Company* due to the Levine Act; *Orange County Conservation Corps* due to a current business relationship, and *Butier Engineering* due to a previous business relationship.

Ayes: Bilodeau, Brandman, Green, Rowe, Sarmiento, Sheldon, Ta, Zahra

Absent: Nguyen, Yoh

Abstain: Brandman (partial abstention on Item No. 1

1. Approval of Cash Disbursements

MOTION NO. 19-99
APPROVING CASH DISBURSEMENTS

Payment of bills for the period June 13, 2019 through June 26, 2019 in the total amount of \$2,826,591.62 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 19-100
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held May 22, 2019 are approved as presented.

3. Amendment to USBR Grant Contracts for Schedule Extensions: CCD/FO and NDMA Studies

RESOLUTION NO. 19-7-96
APPROVING AMENDMENTS TO USBR GRANT CONTRACTS FOR
SCHEDULE EXTENSIONS FOR CLOSED CIRCUIT
DESALINATION/FORWARD OSMOSIS AND NDMA STUDIES

WHEREAS, pursuant to Resolution No. 17-12-157 adopted December 20, 2017, OCWD entered into an agreement for funding with the U.S. Bureau of Reclamation (USBR) in the amount of \$149,894 for a research study titled, *N-nitrosodimethylamine (NDMA) and Previously Unidentified NDMA Precursors in Advanced Potable Reuse Treatment Plants*, for a term expiring June 2019 (Project No. R17AC00142); and

WHEREAS, pursuant to Resolution No. 17-12-158 adopted December 20, 2017, OCWD entered into an agreement for funding with the U.S. Bureau of Reclamation (USBR) in the amount of \$249,966 for a research study titled, *Pilot Evaluation of Closed Circuit Desalination (CCD) and Forward Osmosis (FO) Alternatives for Concentrate Treatment*, for a term expiring September 2019 (Project No. R17AC00151), and

WHEREAS, the District staff has presented and recommended approval of six-month no-cost extensions to such grant funding agreements through December 2019 and March 2020, respectively;

NOW, THEREFORE the Board of Directors of the Orange County Water District does hereby approve Modification 001 to Financial Assistance Agreements with the Bureau of Reclamation extending the period of performance for project agreements R17AC00151 (Pilot Evaluation of CCRO and FO) and R17AC00142 (Understanding NDMA Precursors), as outlined herein; and, subject to approval as to form and content by OCWD General Counsel, execution of the agreements by the District officers is authorized.

4. Disaster Funding for Prado Wetlands from California Office of Emergency Services

RESOLUTION NO. 19-7-97
AUTHORIZING APPLICATION FOR DISASTER FUNDING FOR PRADO WETLANDS
FROM THE CALIFORNIA OFFICE OF EMERGENCY SERVICES AND ADOPTING
DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

WHEREAS, due to the winter storms that occurred February 13 through February 15, 2019 that caused severe flood damage to the OCWD Prado Diversion System and Wetlands, OCWD submitted its Initial Damage Estimates to the California Office of Emergency Services to help establish eligibility for disaster funding; and

WHEREAS, in this regard, OCWD is required to complete the application process under the California Disaster Assistance Act Program Project Application for the purpose of obtaining certain federal financial assistance under the Disaster Relief and Emergency Assistance Act of 1988 and/or state financial assistance under the California Disaster Assistance Act;

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

Section 1: Submission of the Project Application to the California Disaster Assistance Program is authorized, and the General Manager is designated as the authorized agent; and upon approval as to form by District General Counsel, its execution by the General Manager is authorized.

Section 2: The Designation of Applicant's Agent Resolution for Non-State Agencies is hereby adopted as follows:

That the General Manager is appointed as the authorized agent and, is hereby authorized to execute for and on behalf of the Orange County Water District, a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

That the Orange County Water District, a public entity established under the laws of the State of California, hereby authorizes its agent to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

INFORMATIONAL ITEMS

5. PFAS Update

Yorba Linda Water District (YLWD) Director Wayne Miller expressed concern over the Department of Drinking Water's proposed new notification levels for PFAS. He stated that the YLWD Board met last night to discuss a strategy for a long-term solution and has decided to treat their wells with ion exchange resin. He urged the Board to hold discussions on the financial implications to OCWD and the retailers.

YLWD President Brook Jones reported that in anticipation of the upcoming PFAS notification levels, YLWD is delivering only MWD water to its users. He stressed that the upstream wastewater dischargers have contributed to the PFAS pollution and expressed the need for cooperation from these dischargers.

General Manager Mike Markus updated the Board on the upcoming Monday deadline for establishment of the Department of Drinking Water PFAS notification levels. He stated that new regulations would impact 39 of 51 wells that would exceed the response levels, and noted this will have a significant impact on the water agencies. Mr. Markus updated the Board on meetings with regulators and legislators to explain the financial impact on Orange County, and stated that staff has requested more transparency with regard to the toxicology reports used to establish cancer risks. Mr. Markus stated that staff has been in discussions with the Groundwater Producers regarding a potential program to help them build treatment facilities, noting he would bring this forward to the Board as things crystalize. The Directors reported on their meetings with local legislators to explain the impact of the new response levels to Orange County, and requested that Counsel review case law for potential legal recourse. Director Bilodeau suggested suspension of the PARS payments to free up funds to potentially assist the Producers with treatment costs.

6. Update on Next Generation Water Leaders Program

Director of Public Affairs Eleanor Torres provided a short video describing the Next Generation Water Leaders educational experience for local students in grades 6-12.

7. Santa Ana Watershed Project Authority Activities

There was no discussion of this item.

8. Committee/Conference/Meeting Reports

Director Rowe reported on his attendance at the South Coast Water Hearing on the Doheny Desalter. Director Brandman reported on his meeting on Friday, June 28 with Assemblymember Daly.

RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 6:47 p.m. as follows:

Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation
[Government Code Section 54956.9(d)(4)]

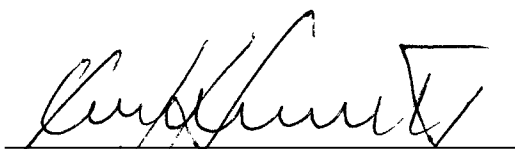
Public Employee Performance Evaluation (General Manager)
[Government Code Section 54957.6]

RECONVENE IN OPEN SESSION

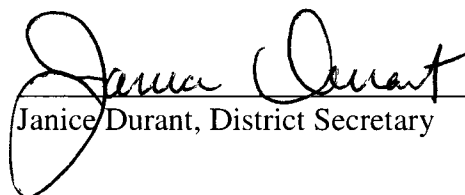
The Board reconvened in Open Session at 7:41 p.m. whereupon General Counsel Jungreis advised that no reportable action took place in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:41 p.m.



Vicente Sarmiento, President



Janice Durant, District Secretary