

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
August 17, 2016, 5:30 p.m.

President Green called to order the August 17, 2016 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 District Secretary called the roll and reported a quorum as follows.

Directors

Philip Anthony
Denis Bilodeau
Jordan Brandman
Shawn Dewane
Jan Flory
Cathy Green
Dina Nguyen
Roman Reyna (not present)
Stephen Sheldon
Roger Yoh

Staff

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

VISITOR PARTICIPATION

Big Canyon Country Club representative Larry Tucker requested to speak on Item No. 8, Green Acres Project (GAP) Future Direction. He stated that as a GAP water end user, he questions the pending increase in GAP water charges next July from its current level of \$478 per af to the proposed new charge of at least \$724 af. Mr. Tucker noted the increase is a lot to pass on to those who have acted responsibly and incurred costs in order to use recycled water, noting that the benefit would inure to those who use basin groundwater because their Replenishment Assessment (RA) would decrease by about \$6 af. Mr. Tucker urged the Board when deliberating on the appropriate rate to include a discussion of whether that should be the policy of the Board and consider the message that might send to present and future users of recycled water. He stated the allocation of all GAP costs just to GAP producers without regard for the fact that the GAP facility is only 54% capacity is not justified and requested a written response from staff explaining why that is appropriate. Mr. Tucker stated he supports the recommendation of the Water Issuers Committee to have staff bring back an RFP on GAP treatment options, and staff indicated that a written response is underway.

Mesa Water District Director Jim Fislser requested Board support for his nomination to the position of President of the Independent Special Districts of Orange County (ISDOC) in the upcoming election.

City of Huntington Beach resident Clem Dominquez expressed support for purchasing \$50 million of water to refill the basin as recommended by staff. He noted that the Poseidon project would add 248/af to the RA and noted that, rather than spend \$305 million on the Poseidon distribution system, \$200 million should be spent to purchase water to refill the basin.

Surf City Voice representative John Earl requested that the Board members speak into their microphones during public meetings, and he questioned the attendance record of certain Directors at

meetings, noting that it is unfair to ask the public to pay Directors for attending meetings for a brief period.

CONSENT CALENDAR

Director Brandman requested the removal of Item No. 7, *Potential Sale of GWRS Water to City of Anaheim South Recycled Water Project*, from the Consent Calendar. The balance of the Consent Calendar was then approved upon motion by Director Dewane, seconded by Director Flory and carried [9-0] as follows:

Ayes: Anthony, Bilodeau, Brandman, Dewane, Flory, Green, Nguyen, Sheldon, Yoh
Absent: Reyna

1. Approval of Cash Disbursements

MOTION NO. 16-106
APPROVING CASH DISBURSEMENTS

Payment of bills for the period July 28 through August 10, 2016 in the total amount of \$12,701,054.70 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 16-107
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held July 20, 2016 are approved as presented.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD AUGUST 10

3. RFP for Burriss Basin Booster Pump Station Preliminary Design Report

MOTION NO. 16-108
AUTHORIZING ISSUANCE OF RFP FOR BURRIS BASIN BOOSTER PUMP STATION PRELIMINARY DESIGN REPORT

Issuance of a Request for Proposals for the Burriss Basin Booster Pump Station Preliminary Design Report is hereby authorized.

4. Intellectual Property Plan Agreement with University of California at Riverside to Support Collaborative Research Grant

RESOLUTION NO. 16-8-109
APPROVING INTELLECTUAL PROPERTY PLAN AGREEMENT WITH UNIVERSITY OF CALIFORNIA AT RIVERSIDE TO SUPPORT COLLABORATIVE RESEARCH GRANT

RESOLVED, that execution by the General Manager of the Intellectual Property Plan Agreement with University of California at Riverside to support a collaborative research grant is hereby authorized.

5. Agreement to Separation Processes Inc. for Technical Support on GWRS Microfiltration and Reverse Osmosis Operations (MF/RO)

RESOLUTION NO. 16-8-110
APPROVING AGREEMENT TO SEPARATION PROCESSES INC. FOR TECHNICAL SUPPORT ON THE GWRS MICROFILTRATION AND REVERSE OSMOSIS OPERATIONS (MF/RO)

RESOLVED, that issuance of an Agreement is authorized to Separation Processes Inc. for an amount not to exceed \$75,000 to provide consulting services on a time and material bases for the GWRS MF/RO membrane processes through August 31, 2017; and, upon approval as to form by district General Counsel, its execution by the District officers is authorized.

6. Agreement to Accurate Measurement Systems for Five Coves Flow Meter Replacement

RESOLUTION NO. 16-8-111
APPROVING AGREEMENT TO ACCURATE MEASUREMENT SYSTEMS FOR FIVE COVES FLOW METER REPLACEMENT

RESOLVED, that issuance of Agreement is authorized to Accurate Measurement Systems, Inc. to furnish and install two Rittmeyer ultrasonic flow meters for an amount not to exceed \$97,426; and, upon approval as to form by district General Counsel, its execution by the District officers is authorized.

7. Potential Sale of GWRS Water to City of Anaheim South Recycled Water Project

This item was removed from the Consent Calendar and considered later in tonight's meeting.

8. Green Acres Project (GAP) Future Direction

MOTION NO. 16-109
AUTHORIZING PREPARATION OF RFP FOR GAP TREATMENT OPTIONS

Preparation of a Request for Proposals is authorized for GAP Treatment Options and return to the Board for review and approval.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD AUGUST 11

9. Monthly Cash Control Report

MOTION NO. 16-110
RECEIVING AND FILING CASH CONTROL REPORT

The Summary Cash and Cash Equivalents Control Report dated July 31, 2016 are hereby received and filed.

10. Investment Portfolio Holdings Report

MOTION NO. 16-111
RECEIVING AND FILING INVESTMENT PORTFOLIO HOLDINGS REPORT

The Investment Portfolio Holdings Report dated July 31, 2016 is hereby received and filed.

11. Agreement to Washburn Grove Management for Vegetation Removal at Prado Wetlands

RESOLUTION NO. 16-8-112
APPROVING AGREEMENT TO WASHBURN GROVE MANAGEMENT FOR VEGETARIAN REMOVAL AT PRADO WETLANDS

RESOLVED, that issuance of an Agreement is authorized to Washburn Grove Management for an amount not to exceed \$30,000 for vegetation removal in Prado Wetlands ponds; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

ITEM REMOVED FROM THE CONSENT CALENDAR FOR CONSIDERATION

7. Potential Sale of GWRS Water to City of Anaheim South Recycled Water Project

Director Brandman requested deferral of this item pending further consideration by the Board.

MOTION NO. 16-112
DEFERRING CONSIDERATION OF POTENTIAL SALE OF GWRS WATER TO CITY OF ANAHEIM SOUTH RECYCLED WATER PROJECT

Upon motion by Director Brandman, seconded by Director Dewane and carried, consideration of the potential sale of GWRS water to the City of Anaheim South Recycled Water Project is hereby deferred pending further consideration by the Board.

INFORMATIONAL ITEMS

12. Orange County Water District and Orange County Sanitation District Open House Summary

Director of Public Affairs Eleanor Torres updated the Board on the OCWD/OCSD Open House held Saturday, August 13, 2006.

13. Water Resources Report – July 2016

There was no discussion of this item.

14. Santa Ana Watershed Project Authority Activities

Director Anthony updated the Board on SAWPA activities.

15. Groundwater Producer Meeting Minutes – August 10, 2016

There was no discussion of this item.

16. 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.

August 10 – Water Issues Committee

August 11 – Administration/Finance Issues Committee

ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 5:56 p.m. as follows.

- CONFERENCE WITH LABOR NEGOTIATORS
[Government Code Section 54957.6]
OCWD designated representative: District President Cathy Green
Non-Represented Employee: General Manager

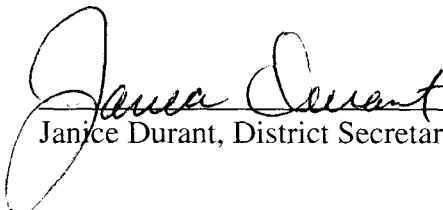
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
[Government Code Section 54956.9(a)] – one case:
Irvine Ranch Water District v. OCWD, et al. - Superior Court Case No. 30-2016-00858584-CU-WM-CJC

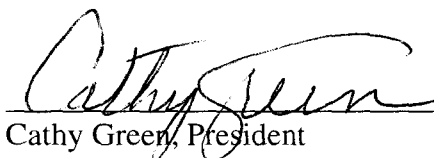
RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 6:48 p.m. whereupon General Counsel Kuperberg 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 6:48 p.m.


Janice Durant, District Secretary


Cathy Green, President