

MINUTES OF BOARD OF DIRECTORS MEETING
WITH WATER ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
September 10, 2014 @ 8 a.m.

Water Issues Committee Chair Director Green called the meeting to order in the Boardroom of the District office located in Fountain Valley, CA. The Assistant District Secretary reported quorum of the Committee.

Committee Members

Cathy Green
Denis Bilodeau (not present)
Vincent Sarmiento (arrived 8:10 a.m.)
Shawn Dewane
Philip Anthony

Alternates

Steve Sheldon
Kathryn Barr
Harry Sidhu (arrived 8:10 a.m.)
Roger Yoh (not present)
Jan Flory (not present)

OCWD Staff

Mike Markus - General Manager
Joel Kuperberg - General Counsel
Judy-Rae Karlsen - Assistant District Secretary
Jason Dadakis, Bill Dunivin, Roy Herndon,
Bonnie Howard, Bill Hunt, John Kennedy,
Chris Olsen, Mehul Patel, Audrey Perry,
Sandy Scott Robert, Ben Smith,
Mike Wehner, Greg Woodside, Lee Yoo

Others

Howard Johnson - Brady & Associates
Nabil Sabu - City of Santa Ana
Skip Griffin - SPI
Paul Weghorst, Peer Swan - Irvine Ranch Water District
Keith Lyon - Municipal Water District of OC
Rick Shintaku - City of Anaheim
Phil Lauri, Paul Schoenberger - Mesa Water District
Murray Wigmore - MetrohmUSA
Wendy Leece, Costa Mesa

CONSENT CALENDAR

Director Anthony removed Item No. 3, **Purchase Order to Thermo Electron North America LLC** from the Consent Calendar. Director Barr removed Item No. 5, **Agreement to City of Santa Ana** from the Consent Calendar. The remaining items on the Consent Calendar were approved upon motion by Director Anthony, seconded by Director Dewane and carried [5-0] as follows.
[Yes- Green, Dewane, Anthony, Sheldon, Barr /No-0]

1. Minutes of Previous Meeting

The Minutes of the Water Issues Committee meeting held August 13, 2014 are approved as presented.

2. Amendment to Agreement No. 962 to Corpro for Continuity Testing & Cathodic Protection Design of the Talbert Barrier West End Pipeline

Recommended for approval at September 17 Board meeting: 1) Authorize issuance of Amendment No. 1 to Agreement No. 0962 with Corpro for an amount not to exceed \$4,000 for additional traffic control plans and extend the contract expiration date to November 30, 2014; and 2) Authorize the filing of a Categorical Exemption for the project in compliance with California Environmental Quality Act.

3. Purchase Order to Thermo Electron North America LLC for Ion Chromatography Mass Spectrometer (IC-MS) for the Advanced Water Quality Assurance Laboratory

This item was removed from the Consent Calendar for further discussion.

4. Contract GBM - 2014-2 East Newport Mesa Groundwater Investigation Marsh Well Conversion: Award Contract to Yellow Jacket Drilling Services and Approve University of California License Agreement

Recommended for approval at September 17 Board meeting: 1) Receive and File Affidavit of Publication of Notice Inviting Bids for Contract No. GBM-2014-2; 2) Accept bid and award Contract No. GBM-2014-2 to Yellow Jacket Drilling Services for \$74,440; and 3) Approve and authorize execution of *The Regents of the University of California License Agreement* that provides for site access and transfers ownership of the Marsh well.

5. Agreement to City of Santa Ana for Perimeter Site Improvements of Joint Reservoir Site

This item was removed from the Consent Calendar for further discussion.

ITEMS REMOVED FROM THE CONSENT CALENDAR

Directors Sarmiento and Sidhu arrived at 8:10 a.m. during discussion of the following item.

3. Purchase Order to Thermo Electron North America LLC for Ion Chromatography Mass Spectrometer (IC-MS) for the Advanced Water Quality Assurance Laboratory

Director Anthony asked staff if the equipment would be able to detect more than what the Environmental Protection Agency would require. Lee Yoo, Laboratory Director reported the advanced Ion Chromatography Mass Spectrometer (IC-MS) equipment is needed for perchlorate quantification and confirmation and will make detection possible at very low levels. Director Anthony asked about the bidding process that was used by staff. Supervising Chemist Phil Harrington reported that staff distributed the Request for Proposals (RFP) with water samples to two firms and the bids/test results were evaluated by staff. He advised that staff met with each firm on several occasions prior to making the determination to issue the Purchase Order to the most qualified bidder, Thermo Electron North America. MetrohmUSA representative Murray Wigmore requested that his firm have an opportunity to revise its proposal as there was some confusion with the bidding process on this equipment. Mr. Harrington reported that staff met with Thermo Electron North America and MetrohmUSA representatives to review/discuss their proposals on several occasions. The Committee briefly discussed the District's RFP process and recommended deferring this item to give staff time to re-evaluate the bidding process. The Committee then took the following action.

Motion by Director Anthony, seconded by Director Dewane and carried [5-0], the Committee recommended deferring the decision on staff's recommendation in order to give staff an opportunity to re-evaluate the bidding process.

[Yes- Green, Sarmiento, Dewane, Anthony, Sheldon /No-0]

5. Agreement to City of Santa Ana for Perimeter Site Improvements of Joint Reservoir Site

Director Barr asked staff to report on the specifics of the cost sharing for the proposed site improvements at the joint reservoir site in Santa Ana. General Manager Mike Markus provided the terms and conditions in the Agreement. City of Santa Ana representative Nabil Sabu clarified the City's responsibilities and stated the cost sharing is based on linear foot and site improvements are a benefit to both parties. He reported that on site security will increase as a result. Director Sarmiento reported the Santa Ana City Council will discuss this matter at the September 16 meeting. The Committee then took

the following action.

Upon motion by Director Dewane, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its September 17 Board meeting: 1) Approve and authorize execution of Agreement with the City of Santa Ana for perimeter site improvements at joint reservoir site, subject to non-substantive changes approved by the General Manager and District Attorney; and 2) Authorize issuance of a Request for Proposals for the Green Acres Project Reservoir and City of Santa Ana Reservoir Perimeter Site Improvement Design; and 3) Authorize the filing of a Categorical Exemption for the project in compliance with California Environmental Quality Act.

[Yes- Green, Sarmiento, Dewane, Anthony, Sheldon /No-0]

MATTERS FOR CONSIDERATION

6. Final Long-Term Facilities Plan 2014 Update

Executive Director Greg Woodside presented the updated Final 2014 Long Term Facilities Plan (LTFP) and stated the document is a planning tool to guide staff with prioritizing projects. Mr. Woodside reviewed the 15 priority projects and the overall scope for each project. Irvine Ranch Water District representative Peer Swan asked how the District would incorporate the projects into current operations and if the District was going to deal with plumes that may contaminate drinking water wells in South County. Mr. Woodside reported the list of priority projects was not ranked in order of priority and there are preliminary cost estimates for some of the projects at this time. Mr. Markus reported that staff will prepare a project feasibility study, schedule, and budget for each project prior to requesting Board approval. Mesa Water District General Manager Paul Schoenberger reported that producers have supported the LTFP with comments about desalination and a request for cost estimates, schedules and a ranking of priority projects. Costa Mesa resident Wendy Leece requested more information on how the 15 priority projects will impact rate payers. Mr. Markus noted the LTFP is a high level planning tool and and more detailed information could trigger California Environmental Quality Act documentation. Director Anthony recommended that staff rethink the term, "Priority Projects" as he felt it was misleading and not the most appropriate term for a planning document. Director Sheldon recommended that staff include the cleanup projects for North and South Basin groundwater contamination. Director Green objected to the inclusion of groundwater contamination cleanup projects in the LTFP. The Committee briefly discussed and clarified its direction to staff for revising the LTFP prior to adoption. The Committee then took the following action.

Upon motion by Director Anthony, seconded by Director Dewane and carried [4-1], with Director Green voting "No", the Committee recommended that the Board at its September 17 Board meeting: 1) Receive and file the Long-Term Facilities Plan 2014 Update; and 2) Authorize filing of Notice of Exemption in compliance with California Environmental Quality Act.

[Yes- Sarmiento, Dewane, Anthony, Sheldon /No- Green]

7. Alamitos Barrier Improvement Project: Cost-Sharing Agreement with Los Angeles County Department of Public Works (LACWDPW), and Revised Project Budget

Principal Hydrogeologist Dave Mark gave an overview of the Alamitos Barrier Improvement Project, reported on the management of barrier operations and outlined the terms and conditions of the cost sharing agreement between the District and Los Angeles County. He advised that the original cost estimate has increased due to the need for additional well drilling, increased construction management, noise mitigation and the need to equip the injection and monitoring wells. Mr. Mark responded to Committee questions about the function of the Alamitos barrier and its operations. He advised the project schedule for the *Alamitos Barrier Project Supplement No. 7* will be modified and the District's portion of the cost-sharing agreement for additional design and construction of monitoring and injection

wells will be \$4,693,000. Following a brief question and answer period, the Committee took the following actions.

Upon motion by Director Anthony, seconded by Director Dewane and carried [5-0], the Committee recommended that the Board at its September 17 Board meeting: 1) Approve and authorize execution of the cost-sharing *Agreement for Construction of Additional Facilities for the Alamitos Barrier Project Supplement No. 7* with the LACDPW for the design and construction of injection and monitoring well facilities and payment by LACDPW to OCWD at one-half of the cost of the new facilities located between Points B and C for a total not to exceed \$1,253,000; and 2) Approve an increase to the Alamitos Barrier Improvement Project budget by \$4,693,000 for a revised total capital project budget of \$14,752,000.

[Yes- Green, Sarmiento, Dewane, Anthony, Sheldon /No-0]

8. Basin Storage Update for Water Year 2013-14

Principal Engineer Tim Sovich presented the Basin Storage Update for the 2013-14 Water Year and advised the report is based on the "full basin" benchmark for all three groundwater aquifer layers. He advised that staff has determined the accumulated overdraft was 342,000 acre feet as of June 30, 2014, and this represents an annual decrease of 100,000 acre feet. Mr. Sovich noted the large storage decrease was primarily due to the following factors:

- 73,000 acre feet less Santa Ana River base and storm flows due to third dry year in a row
- 33,000 acre feet less incidental recharge due to dry year
- 11,000 acre feet of additional pumping due to 3.5% increase in total water demand
- 7,500 acre feet of Conjunctive Use Program pumping from the Metropolitan Water District storage account

He advised the causes of decreased storage levels were partially offset by increased purchases of imported water for replenishment and he presented and discussed the contour maps of the various groundwater levels within the aquifers. The Committee discussed rainfall, the groundwater storage program and the effect of the GWRS production being off line for maintenance. The Committee requested the Basin Storage Update for Water Year 2013-14 be presented at the September 17 Board meeting.

9. District Wildlife Exhibits

Mr. Woodside advised that staff is in the process of planning for the relocation of the wildlife exhibits and seeking Directors suggestions on potential locations at the Fountain Valley facility. Director Barr stated she was in favor of displaying the exhibits in the foyer near the entrance doors and windows.

10. Proposed Designation of Critical Habitat for the Yellow-Billed Cuckoo

Director of Natural Resources Dick Zembal gave a brief report on the proposed designation of critical habitat for the yellow billed cuckoo. He advised the critical habitat designation would not impact District operations.

11. U.S. Environmental Protection Agency/U.S. Army Corps of Engineers Proposed Changes to Definition of Waters of the United States

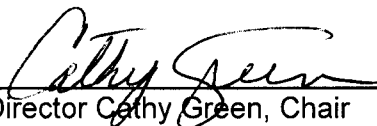
Mr. Woodside reported the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers issued a proposed rule to change the definition of "Waters of the United States". He stated the new ruling does not significantly impact District operations and staff is not planning to comment on the proposed rule at this time.

ITEMS TO BE PLACED ON CONSENT CALENDAR FOR SEPTEMBER 17 BOARD MEETING

The Committee requested that Items Nos. 2, 4-7 be placed on the Consent Calendar at the September 17 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:40 a.m.


Director Cathy Green, Chair