

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
September 18, 2019 5:30 p.m.

President Sarmiento called to order the September 18, 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 District Secretary called the roll and reported a quorum as follows.

Directors

Denis Bilodeau
Jordan Brandman
Cathy Green
Dina Nguven
Kelly Rowe
Vicente Sarmiento
Stephen Sheldon (arrived 5:40 p.m.)
Tri Ta
Roger Yoh
Ahmad Zahra

Staff

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

VISITOR PARTICIPATION

Surfrider Foundation California Policy Coordinator representative Mandy Sackett expressed opposition to the proposed Poseidon Desalination Plant based upon its excessive cost and damage to the environment.

Orange County Coastkeeper Associate Director Ray Heimstra objected to the recent letter regarding the Poseidon Project sent to Governor Newsom by President Sarmiento. He advised that he developed a response letter to the Governor which he provided to the Board. Mr. Heimstra noted that the Poseidon Term Sheet was approved over a year ago at which time OCWD indicated that the customers for the project water would be identified along with a delivery system by December 2018. He stressed that to date, only one customer has been identified. He urged the Board to agendaize a status update of the Poseidon Project for an upcoming meeting.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Ta and carried [9-0], with the following abstentions by Directors Brandman and Nguven:

Brandman: Item No. 1. *Cash Disbursements – Butler Engineering* due to a prior business relationship and *Southern California Gas Company* due to the Levine Act.

Nguven: Item No. 3 *Amendment to Pheasant Hunting Lease to Elaine Raahauge*

Aves: Bilodeau, Brandman, Green, Nguven, Rowe, Sarmiento, Ta, Yoh, Zahra

Absent: Sheldon

Abstain: Brandman – partial abstention on Item No. 1

Nguven – Item No 3

1 Approval of Cash Disbursements

MOTION NO 19-120
APPROVING CASH DISBURSEMENTS

Payment of bills for the period August 29 2019 through September 11 2019 in the total amount of \$4,721,509.40 is ratified and approved.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD AUGUST 30

2. Amendment Four to Access Permit with Water Replenishment District of Southern California

RESOLUTION NO 19-9-132
AUTHORIZING AMENDMENT TO ACCESS PERMIT WITH WRDSC FOR COLLECTION OF WATER SAMPLES FROM SEAL BEACH MONITORING WELLS REQUIRED FOR ALAMITOS BARRIER RECYCLED WATER PROJECT

WHEREAS, pursuant to Resolution No. 99-8-102 adopted August 18, 1999 as amended, OCWD issued an Access Permit to the Water Replenishment District of Southern California (WRDSC) to collect water samples at OCWD Monitoring Wells in the Seal Beach area to satisfy the monitoring requirements of the WRDSC Alamitos Barrier Recycled Water Project; and

WHEREAS, the Property Management Committee of this Board has presented and recommended issuance of Amendment Four to such Permit with WRDSC extending the permit expiration date to August 31 2024 for continued collection of water samples from such Seal Beach monitoring wells (OCWD-34L10, OCWD-34N21 and OCWD-U8),

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment Four to the Access Permit with WRDSC as hereinabove set forth, and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

3. Amendment to Pheasant Hunting Lease to Elaine Raahauge D.B.A. Mike Raahauge s Shooting Enterprises at Prado Basin

RESOLUTION NO 19-9-133
APPROVING AMENDMENT 14 TO PHEASANT HUNTING LEASE WITH ELAINE RAAHAUGE DBA MIKE RAAHAUGE'S SHOOTING ENTERPRISES

WHEREAS, pursuant to Resolution No. 05-11-126 adopted November 2, 2005, and subsequent amendments thereto, the OCWD Board authorized a Lease to Mike Raahauge d.b.a. Mike Raahauge s Shooting Enterprises for continued use of certain District Prado lands for operation of a pheasant hunting concession, game bird raising, hunter safety classes, dog kennel operation, caretaker s trailer, and non-exclusive use of the clubhouse and roads, and

WHEREAS, pursuant to Resolution No. 13-10-128 adopted October 2, 2013 the OCWD Board approved the change of Lessee name to Elaine Raahauge d.b.a. Mike Raahauge s Shooting Enterprises; and

WHEREAS, the Property Management Committee of this Board has presented and recommended approval of Amendment 14 to such Lease providing for a one-year extension of the Lease through September 30, 2020, with all other terms and conditions to remain the same:

NOW THEREFORE the Board of Directors of the Orange County Water District does hereby approve the aforementioned Amendment No. 14 to Lease with Elaine Raahauge d.b a Mike Raahauge s Shooting Enterprises as outlined herein; and, upon approval as to form by District General Counsel, it's execution by the District officers is authorized

4. Amendment to License Agreement with MWD for Santiago Creek Enhancement Project

RESOLUTION NO. 19-9-134
APPROVING AMENDMENT TO LICENSE WITH MWD FOR SANTIAGO CREEK RECHARGE ENHANCEMENT PROJECT

WHEREAS, pursuant to Resolution No 08-6-82 adopted June 4, 2008, as amended, OCWD authorized acceptance of License Agreement R.L. 2832 with Metropolitan Water District of Southern California for the purpose of grading the Santiago Creek in the City of Orange to improve groundwater recharge within the Creek (Santiago Creek Recharge Enhancement Project);

WHEREAS, the Property Management Committee of this Board has recommended issuance of Amendment No. 4 to such License Agreement to include two environmental provisions and an annual inspection fee increase of four percent;

NOW THEREFORE the Board of Directors of the Orange County Water District does hereby approve Amendment No. 4 to the License Agreement with MWD as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized

5. Lease Extension, Rent Reduction and Consent to Sublease Request from Gentry Golf, Inc. D.B.A. The Island Golf Center at Burriss Basin

RESOLUTION NO. 19-9-135
AUTHORIZING AMENDMENT TO LEASE AGREEMENT WITH GENTRY GOLF INC D.B.A. THE ISLAND GOLF CENTER AT BURRIS BASIN; AND AUTHORIZING CONSENT TO SUBLEASE BY GENTRY TO SMASH AND SPLASH GOLF ACADEMY

WHEREAS, pursuant to Resolution No 91-12-284 adopted December 18, 1991 and subsequent amendments thereto, OCWD approved a Lease with Gentry Golf, Inc , dba The Islands Golf Center, L P., for operation of a golf driving range and related activities at OCWD's Burriss Basin through September 30, 2018; and

WHEREAS, the Property Management Committee of this Board has presented and recommended approval of Amendment No. Three to such Lease Agreement providing for a three-year lease extension through September 30, 2022 at the current rent with the addition of a six-month termination clause; and

WHEREAS, the Property Management Committee of this Board has recommended approval of a Consent to Sublease allowing Gentry Golf, Inc. to sublease to Smash and Splash Golf Academy, provided that Gentry executes a sublease that is acceptable to OCWD;

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

Section 1 Amendment No. 3 to the Lease Agreement with Gentry Golf, Inc. is approved as described herein; and, upon approval as to form by District General Counsel, its execution on behalf of the District by the District officers is authorized.

Section 2: The Consent to Sublease by Gentry Golf to Smash and Splash Golf Academy is approved; subject to approval as to form and content by District General Counsel, and its execution on behalf of the District by the District's officers is authorized.

6. Amendment One to Exclusive Due Diligence Agreement and License Agreement with David Wabiszewski for Water Attraction (Aqua Park) and Cable Tow Recreational Wakeboarding Facility (Wakeboarding Park) at Miraloma Basin

RESOLUTION NO. 19-9-136
AUTHORIZING AMENDMENT TO EXCLUSIVE DUE DILIGENCE AGREEMENT AND
LICENSE AGREEMENT FOR A CABLE-TOW RECREATIONAL WAKEBOARDING
FACILITY AT MIRALOMA PARK

WHEREAS, pursuant to Resolution No. 19-3-30 adopted March 6, 2019 OCWD authorized a 180-day Exclusive Due Diligence Agreement (EDDA) and License Agreement with Dave Wabiszewski to explore the feasibility of development of a cable-tow recreational wakeboarding facility (Wakeboarding Park) at Miraloma Basin, and

WHEREAS, the Property Management Committee of this Board has recommended issuance of Amendment One to such EDDA and License Agreement extending the term of the EDDA and License Agreement for an additional 180 days to March 6, 2020;

NOW THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment One to the EDDA and License Agreement as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT COMMUNICATION AND LEGISLATIVE LIAISON COMMITTEE MEETING HELD SEPTEMBER 5

7 PFAS Communications Outreach Plan

RESOLUTION NO. 19-9-137
APPROVING AGREEMENT WITH RWJONES AGENCY FOR
PFAS COMMUNICATIONS OUTREACH PLAN

WHEREAS, in anticipation of changes being made to the State of California Notification Levels (NL) and Response Levels (RL) for perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS), and possibly other per- and polyfluoralkyl substances (PFAS), OCWD approved funding of a contract with the RWJones Agency to assist OCWD and its Groundwater Producers with communications and outreach efforts in this regard; and

WHEREAS, the Communication and Legislative Liaison Committee meeting has recommended establishment of a budget of \$28,000 for PFAS Communications Outreach efforts; and

WHEREAS, pursuant to Motion No. 19-60 adopted April 17 2019 OCWD issued an Agreement to RWJones Agency in the amount of \$28,000 to create and implement a PFAS Communications Outreach Plan; and

WHEREAS, the Communication and Legislative Liaison Committee meeting has further recommended renewal of such Agreement with the RWJones Agency in the amount of \$28,000 to continue to implement PFAS-related outreach from September 2019 through December 2019;

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

Section 1 A budget in the amount of \$28,000 is authorized for OCWD PFAS Communications Outreach efforts

Section 2 Renewal of the Agreement with RWJones Agency for PFAS-related outreach is approved as outlined herein, and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

8. State Legislative Update

MOTION NO 19-121
ADOPTING POSITIONS ON STATE LEGISLATION

The following positions on State Legislation are hereby adopted:

Bill No.	Description	Recommendation
AB 352 (E Garcia)	Four proposed state bond measures that include funding for water projects. Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	1) Direct staff and consultants to explore options, including coalition building, to support funding for the monitoring, testing and cleanup of per-and polyfluoroalkyl substances (PFAS) and for Forecast Informed Reservoir Operations in proposed statewide bond measures and. 2) Direct staff to continue working with the WaterReuse Association California as it advocates for water recycling funding in proposed statewide bond measures
SB 45 (Allen)	Wildlife, Drought, and Flood Protection Bond Act of 2020	
AB 1298 (Mullen)	Climate Resiliency, Fire Risk Reduction, Recycling, Groundwater and Drinking Water Supply, Clean Beaches, and Jobs Infrastructure Bond Act of 2020	
California Initiative # 19-0005	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	

ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD SEPTEMBER 11, 2019

9. Amendment to Agreement with W. A. Rasic Construction Company Inc. for Vault Replacements at Monitoring Wells AMD-6 and SAM-6

RESOLUTION NO 19-9-138
AUTHORIZING AMENDMENT TO AGREEMENT TO W.A. RASIC CONSTRUCTION COMPANY TO REPLACE THE VAULTS FOR OCWD MONITORING WELLS AMD-6 AND SAM-6

WHEREAS, pursuant to Resolution No. 19-2-20 adopted February 20, 2019 OCWD issued Agreement No. 1349 to W.A. Rasic Construction Company Inc. to replace the vaults for OCWD monitoring wells AMD-6 and SAM-6; and

WHEREAS, the Water Issues Committee of this Board has recommended issuance of Amendment No. 1 to such Agreement providing for an increase of \$4,790 to replace the vaults for OCWD monitoring wells AMD-6 and SAM-6;

NOW THEREFORE, the Board of Directors of the Orange County Water District does hereby approve issuance of Amendment No. 1 to Agreement No. 1349 as outlined herein; and upon approval as to form by District General Counsel, its execution by the District officers is authorized

10 Renewal of Annual Software Support for GWRS Process Control System

RESOLUTION NO 19-9-139
APPROVING AGREEMENT WITH CALTROL (EMERSON'S LIMITED BUSINESS PARTNER) FOR ANNUAL SOFTWARE SUPPORT FOR GWRS PROCESS CONTROL SYSTEM

RESOLVED, that issuance of an Agreement is authorized to Caltrol (Emerson's Limited business Partner) in the amount of \$294,875 for annual software support for the GWRS Process Control System.

11 Authorize Funding and Purchase Order to Install Gate for Santiago Creek Recharge Enhancement Project

RESOLUTION NO 19-9-140
AUTHORIZING PURCHASE ORDER TO CROWN FENCE FOR GATE AT SANTIAGO CREEK RECHARGE ENHANCEMENT PROJECT

RESOLVED that issuance of a Purchase Order is authorized to Crown Fence in the amount of \$6,912 to install a new 20-foot-wide gate to provide access to Santiago Creek for District equipment through the Metropolitan Water District's property on Tustin Avenue in Orange

12. Purchase Order to Thermo Electron North America LLC for an Ion Chromatograph (IC) for the Philip L. Anthony Laboratory

RESOLUTION NO 19-9-141
AUTHORIZING ISSUANCE OF PURCHASE ORDER TO THERMO ELECTRON NORTH AMERICA LLC FOR AN ION CHROMATOGRAPH (IC) FOR THE PHILIP L. ANTHONY LABORATORY

RESOLVED, that issuance of a Purchase Order is authorized to Thermo Electron North America LLC in the total amount of \$84,244 for the purchase of an Ion Chromatograph ICS-6000 IC system required for the Philip L. Anthony Laboratory

13. Additional Studies and Regulatory Oversight – Prado Shooting Range Restoration

MOTION NO. 19-122
AUTHORIZING ADDITIONAL FUNDING FOR FINALIZATION OF RISK ASSESSMENT AND WASTE CONSOLIDATION PLAN AT PRADO SHOOTING RANGE

Additional funding in the amount of \$67,068 is authorized for finalization of the risk assessment and waste consolidation plan at the Prado Shooting Range to be paid as follows: Department of Toxic Substance Control \$42,268 and AECOM \$24,800

14 Award Contract GBM-2019-1 Construction of Replacement Monitoring Well OCWD-M43R at Orange Coast College to Best Drilling and Pump, Inc

RESOLUTION NO 19-9-142
AWARDING CONTRACT NO GBM-2019-1, CONSTRUCTION OF REPLACEMENT MONITORING WEL OCWD-M43R. TO BEST DRILLING AND PUMP INC

WHEREAS, a Notice Inviting Bids for Contract No GBM-2019-1 Construction of Replacement Monitoring Well OCWD-M43R at Orange Coast College, was published in *The Orange County Register* on July 29 2019 and

WHEREAS, the following bids were received and opened on August 14, 2019

Best Drilling & Pump, Inc	\$573,601
Layne Christensen Company	\$637,480
Jensen Drilling Company	\$657,000

WHEREAS, the Water Issues Committee of this Board has recommended award of said contract to the lowest responsive bidder, Best Drilling & Pump, Inc. in the amount of \$573,601

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

Section 1 The Affidavit of Publication of Notice Inviting Bids for GBM-2019-1 is received and filed.

Section 2: The lowest responsive bid of Best Drilling & Pump, Inc. in the amount of \$573,601 is accepted and all other bids are rejected

Section 3 The President or Vice President and General Manager or District Secretary are authorized to execute an Agreement on behalf of the District, in a form heretofore approved by this Board, with Best Drilling & Pump, Inc pursuant to the terms of its proposal

Section 4: The District General Counsel is authorized to approve the Performance and Labor and Materials Bonds submitted by said contractor on behalf of the District, provided the bonds comply with the requirements of the bid proposal

Section 5 The District staff is directed to notify the unsuccessful bidder of the action taken herein and, upon execution of the agreement by the successful bidder, to return to the unsuccessful bidders their Bid Bonds

ITEMS RECOMMENDED FOR APPROVAL AT ADMINISTRATION AND FINANCE ISSUES COMMITTEE MEETING HELD SEPTEMBER 12, 2019

15 Monthly Cash Control Report

MOTION NO. 19-127
RECEIVING AND FILING THE SUMMARY CASH AND CASH
EQUIVALENTS CONTROL REPORTS

The Summary Cash and Cash Equivalents Control Reports dated August 31, 2019 is hereby received and filed

16 Investment Portfolio Holdings Report

MOTION NO. 19-128
RECEIVING AND FILING THE INVESTMENT PORTFOLIO HOLDINGS REPORTS

The Investment Portfolio Holdings Reports dated August 31, 2019 is hereby received and filed.

17 Ratio Analysis - Fourth Quarter FY 2018-2019

MOTION NO. 19-129
RECEIVING AND FILING RATIO ANALYSIS

The Ratio Analysis Report for the Fourth Quarter of Fiscal Year 2018-19 ending June 30, 2019 is hereby received and filed

18. Budget to Actual Report for Fourth Quarter FY 2018-19

MOTION NO. 19-130
RECEIVING AND FILING BUDGET TO ACTUAL REPORT
FOR FOURTH QUARTER FY 2018-19

The Budget to Actual Report for Fourth Quarter of Fiscal Year 2018-19 ending June 30, 2019 is hereby received and filed

Director Sheldon arrived at this point in tonight's meeting.

INFORMATIONAL ITEMS

19 Groundwater Remediation Status Update

Director of Special Projects Bill Hunt provided an update on the status of Groundwater Remediation efforts. President Sarmiento suggested that staff provide a presentation to the citizens impacted by the South Basin contamination and let them know the status of the clean up efforts.

20. Santa Ana Watershed Project Authority Activities

Director Bilodeau updated the Board on recent SAWPA activities

21. Monthly Water Resources Report

There was no discussion of this item.

22. Committee/Conference/Meeting Reports

The Board reported on the following meetings noting that the Agendas were included in tonight's Board packet

- Aug 30 - Property Management Committee
- Sept 05 - Communication and Legislative Liaison Committee
- Sept 11 - Water Issues Committee
- Sept 15 - Administration and Finance Issues Committee

VERBAL REPORTS

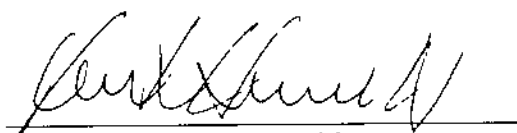
Director Sarmiento questioned General Counsel Jungreis regarding the comments made earlier tonight by the representatives from the Orange County Coastkeeper regarding the need for Board approval of correspondence sent by the Board President or other Directors. General Counsel Jungreis stated that Board approval is not required in that the Board has no adopted policy in place in this regard, and he stated that he reviewed the letter in question and determined that it did not contain any new information, nor did it bind or commit OCWD to moving forward with the Poseidon Project. Director Sarmiento also noted for the record that the Desalination ad hoc Committee had been disbanded quite some time ago.

President Sarmiento then announced that the City of Santa Ana will be turning 150 years old on October 27 and stated that an invitation to a celebration will be forthcoming.

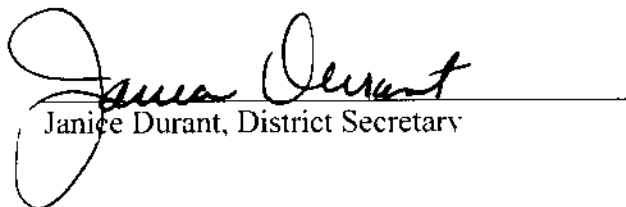
General Manager Markus reported on his attendance at the WaterReuse Symposium in San Diego on September 8-10. He also reported that he and Directors Sarmiento and Bilodeau attended various meetings last week in Washington D.C. with legislators and the Environmental Protection Agency. He stated that staff met with the Groundwater Producers PFAS group today to develop policy principles to bring to the Board next week.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:12 p.m.



Vicente Sarmiento, President



Janice Durant, District Secretary