

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
February 6, 2013, 5:30 p.m.

President Dewane called to order the February 6, 2013, meeting of the Orange County Water District Board of Directors at 5:30 pm 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
Kathryn Barr
Denis Bilodeau (arrived 5:40 p.m.)
Shawn Dewane
Cathy Green
Vincent Sarmiento
Stephen Sheldon
Harry Sidhu
Bruce Whitaker
Roger Yoh (arrived 5:50 p.m.)

Staff

Michael R. Markus, General Manager
Joel Kuperberg, General Counsel
Janice Durant, District Secretary
Adrienne Campbell, Bruce Dosier, Randy Fick,
Mark Greening, Roy Herndon, Bill Hunt,
John Kennedy, Rae Krause,
Craig Patterson, Gina Pineda, Mike Wehner,
Nira Yamachika, Greg Woodside

Others in attendance:

Robert Hanford – Golden State Water Company
Greg Heiertz – Irvine Ranch Water District
Jim Atkinson, Ethan Temianka, Paul Schoenberger – Mesa Water District
Jose Diaz – City of Orange
Rick Shintaku – City of Anaheim
Brian Ragland – City of Huntington Beach
Keith Lyon – Municipal Water District of Orange County

Employee of the Month Award

The Board presented the Employee of the Year Award to Senior Engineer Nate Scheevel.

VISITOR PARTICIPATION

There were no persons wishing to address the Board.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Anthony, seconded by Director Green and carried [8-0] as follows.

1. Approval of Cash Disbursements

MOTION NO. 13-13
APPROVING CASH DISBURSEMENTS

Payment of bills for the period January 10, 2013 through January 30, 2013 in the total amount of \$9,128,969.01 is ratified and approved.

2. Approval of Minutes of Board of Directors Meetings

MOTION NO. 13-14
APPROVING MINUTES OF BOARD MEETING

The minutes of the Board of Directors meeting held November 28 and December 19, 2012 are hereby approved as presented.

3. Nominations of Fred R. Bockmiller, Jr. and Melody Henriques-Mcdonald to the ACWA JPIA Executive Committee

RESOLUTION NO. 13-2-9
NOMINATING FRED R. BOCKMILLER, JR., P.E. TO THE ACWA/JPIA
EXECUTIVE COMMITTEE

WHEREAS, the Orange County Water District (OCWD) is a special district created by the California State Legislature in 1933; and

WHEREAS, OCWD is a member district of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) that participates in its Liability, Property and Workers' Compensation programs; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, Mesa Water District must place into nomination a member of its elected Board of Directors to the ACWA/JPIA Board of Directors for such open position;

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

Section 1: The Board of Directors of the OCWD nominates ACWA/JPIA Board Member and Mesa Water District Vice President Fred R. Bockmiller, Jr., P.E. as a candidate for the ACWA/JPIA Executive Committee for the election to be held on May 6, 2013.

Section 2: The ACWA/JPIA staff is hereby requested, upon receipt of the formal nomination by Mesa Water District and concurrence of three other ACWA/JPIA member districts to effect such nomination.

Section 3. The OCWD Secretary will transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082 to be received no later than March 22, 2013 at 4:30 p.m.

RESOLUTION NO. 13-2-10
NOMINATING MELODY HENRIQUES-MCDONALD TO THE
EXECUTIVE COMMITTEE OF THE ACWA/JPIA

WHEREAS, the Orange County Water District (OCWD) is a special district created by the California State Legislature in 1933; and

WHEREAS, OCWD is a member district of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) that participates in its Liability, Property and Workers' Compensation programs; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, the San Bernardino Water Conservation District must place into nomination a member of its elected Board of Directors to the ACWA/JPIA Board of Directors for such open position;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ORANGE COUNTY DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: The Board of Directors of the OCWD nominates Melody Henriques-McDonald, Director of the San Bernardino Water Conservation District, as a candidate for the ACWA/JPIA Executive Committee for the election to be held on May 6, 2013.

Section 2: The ACWA/JPIA staff is hereby requested, upon receipt of the formal nomination by the San Bernardino Water Conservation District and concurrence of three other ACWA/JPIA member districts to effect such nomination.

Section 3: The OCWD Secretary will transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082 to be received no later than March 22, 2013 at 4:30 p.m.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD JANUARY 25

4. City of Anaheim's Request for Letter of Support for Developing Park at Five Coves Basin

MOTION NO. 13-15
SUPPORTING ANAHEIM'S PROPOSAL FOR PARK AT FIVE COVES BASIN

Staff is authorized to provide a letter of support for the City of Anaheim's grant application for a park at Five Coves Basin; and to prepare Memorandum of Understanding with the City, to be brought back to the Committee for final consideration, allowing for the construction of a bike and pedestrian path at Upper and Lower Five Coves Basin.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT
COMMITTEE MEETING HELD JANUARY 29

5. Retirement Committee “Employee” Appointments

MOTION NO. 13-16
APPROVING RETIREMENT COMMITTEE EMPLOYEE APPOINTMENTS

Appointment of the following employees to the Retirement Committee is authorized:

Sitting Member:	Jason Dadakis	(two-year term)
Alternate No. 1	Roy Herndon	(one-year term)
Alternate No. 2	Jana Safarik	(one-year term)

6. 401(a) Money Purchase Retirement Plan Investment Line-Up Review

MOTION NO. 13-17
APPROVING CHANGES TO 401(A) MONEY PURCHASE RETIREMENT PLAN
INVESTMENT FUND PORTFOLIO

The following changes to the 401(a) Money Purchase Plan Retirement fund portfolio are approved:

Red Flag	PGNAX	Prudential Jennison Natural Resources A
Keep Red Flag	DMCVX	Dreyfus Opportunistic Midcap Value A
Red Flag	VETAX	Victory Established Value A
Add	HWAAX	Hotchkis and Wiley Value Opps A
Red Flag	HMVMX	Highmark Value Fiduciary

7. Red Flag Review- 457(B) Deferred Compensation Plan

MOTION NO. 13-18
APPROVING CHANGES TO 457(B) DEFERRED COMPENSATION
PLAN FUND PORTFOLIO

The following changes to the 457 (b) Deferred Compensation Plan fund portfolio are approved:

Close Fund	RLPHX	Royce Low Priced Stock Invmt
map RLPHX to	JTUAX	JPMorgan US Small Company A
Add Fund	PSSSX	Principal SmallCap
Close Fund	CSIEX	Calvert Equity A
map CSIEX to	PRWAX	T. Rowe Price New America Growth
Close Fund	FKGRX	Franklin Growth A
Map FKGRX to	DVEAX	Delaware Select Growth A
Add Fund	ASPIX	Alger Spectra I
Keep Red Flag	JUEAX	JPMorgan US Equity A
Keep Red Flag	SAMVX	Ridge Worth Mid-Cap Value Equity A

Director Bilodeau arrived at 5:40 p.m. and Director Yoh arrived at 5:50 p.m. during discussion of the Informational Items.

8. INFORMATIONAL ITEMS

Santa Ana Watershed Project Authority Activities

Director Anthony updated the Board on a new property tax proposed by Los Angeles County to fund programs to reduce stormwater pollution.

A. Annexation Update

Executive Director John Kennedy provided an in-depth overview of the District's current annexation requests by the City of Anaheim, Irvine Ranch Water District and Yorba Linda Water District which he stated would result in a total of 15,424 acres of land outside the OCWD boundaries. He noted that these requests comply with OCWD policy, and that staff is preparing a Draft Environmental Impact Report, financial analysis, and draft annexation agreement which will be presented to the Board for consideration.

B. LAFCO Municipal Service Review and Sphere of Influence Update

Mr. Markus advised that the Local Agency Formation Commission (LAFCO) will be formally evaluating the spheres of influence for all Orange County special districts and cities in addition to updating their Municipal Service Reviews at their February 13, 2013 meeting. He noted that staff has spoken to LAFCO's interim executive officer and expects no changes or issues with the District's review.

C. Committee Reports

The Board reported on attendance at the following Committee meetings (at which a quorum was present), noting that the minutes/action agendas were included in tonight's Board packet.

- January 14 - GWRS Steering Committee
- January 23 - Joint Planning Committee
- January 25 - Property Management Committee
- January 29 - Retirement Committee

9. VERBAL REPORTS

There were no verbal reports.

10. ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 6:30 p.m. as follows:

CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION

[Government Code Section 54956.9(a)] – Two (2) cases:

OCWD v. Northrop Corporation, et al (VOC Litigation) Superior Court Case 04CC00715

OCWD v. Sabic Innovative Plastics, LLC, et al (South Basin Litigation)

Superior Court Case No. 03CC 00078246

CONFERENCE WITH LABOR NEGOTIATORS

[Government Code Section 54957.6]

OCWD designated representative: Stephanie Dosier

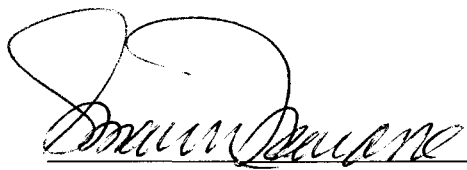
- ⊙ Employee Organization: Orange County Employee Association: and
- ⊙ Non-Represented Employees (Confidential and Management)

RECONVENE IN OPEN SESSION

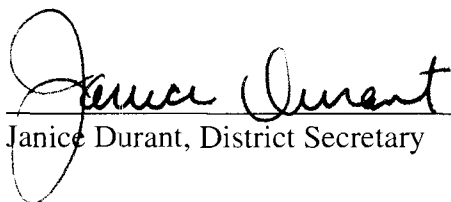
The Board reconvened in Open Session at 7:25 p.m. whereupon General Counsel Joel Kuperberg announced that the Board took no reportable action in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:25 p.m.



Shawn Dewane, President



Janice Durant, District Secretary