

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
May 20, 2015, 5:30 p.m.

President Green called to order the May 20, 2015 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

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

Staff

Michael Markus, General Manager
Jeremy Jungreis, Assistant General Counsel
Janice Durant, District Secretary
Gina Ayala, Bruce Dosier, Stephanie Dosier,
Alicia Dunkin, Randy Fick, Roy Herndon,
Bill Hunt, Judy-Rae Karlsen, John Kennedy,
Pat Lewis, Becky Mudd, Chris Olsen,
Eleanor Torres, Karen Warren, Rose Wilke,
Greg Woodside, Nira Yamachika

Others:

Jason and Karen Ayres – Dan Copp Crushing
Dan Copp – Dan Copp Crushing
Bob Kiley, Marc Marcantonio – Yorba Linda Water District
Ed Connor – Connor Fletcher
Dan Chase
Paul Schoenberger – Mesa Water District
Keith Lyon – Municipal Water District of Orange County
Betsy Eglash - Brady

1. Recognition of Service for Director Stephen Sheldon

This item was deferred to a later date.

2. Commemorating Beckv Mudd's Run for Children's Cancer Awareness

The Board took the following action commending Public Affairs staff member Beck Mudd for her run across California to raise money for children's cancer. President Green also commended Executive Assistant Karen Warren's son, Fire Captain Mike Warren, for his recent earthquake rescue mission in Nepal.

Upon motion by Director Anthony, seconded by Director Dewane, the following resolution was unanimously carried [8-0].

Ayes: Anthony, Bilodeau, Dewane, Green, Flory, Reyna, Sidhu, Yoh

Absent: Nguyen, Sheldon

RESOLUTION NO. 15-5-55
COMMEMORATING BECKY MUDD'S RUN FOR CHILDREN'S CANCER AWARENESS

WHEREAS, Becky Mudd completed a 263-mile course run from the California coast to the border of Arizona in nine days to raise awareness of and money for pediatric cancer; and

WHEREAS, Over the nine-day period, Becky ran 30 to 35 miles daily and dedicated parts of her journey to different forms of childhood cancer; and

WHEREAS, Becky dedicated the first day of the run to Samuel Jeffers who lost his life to brain cancer at the age of 8. The Jeffers family was Becky's support crew during her nine-day journey; and

WHEREAS, As Becky neared the halfway point of her run in the city of Banning, she made a brief stop at Banning City Hall to meet with families who had lost children to cancer; and

WHEREAS, The 263-mile course took Becky through one of the most desolate stretches of highway in California; and

WHEREAS, Becky surpassed her fundraising goal, raising more than \$7,500 to support the Pediatric Cancer Research Foundation; and

WHEREAS, Becky has participated in numerous running events and has dedicated them to children battling cancer; and

WHEREAS, Through her activism, Becky has touched the lives of families and children across the country whose lives have been affected by pediatric cancer; and

WHEREAS, Becky is supporting a tremendous effort to raise awareness for a disease that, according to the American Cancer Society, was estimated to claim the lives of 1,960 adolescents ages 0 to 19 in 2014; and

WHEREAS, Becky's daily plight to increase awareness of pediatric cancer honors the memory of her two sisters who lost their lives to cancer; and

WHEREAS, Becky was born and raised in Orange County, California, is a Laguna Beach resident and is a longtime employee of the Orange County Water District; and

NOW, THEREFORE, let it be resolved that the Board of Directors of the Orange County Water District does hereby officially commend and congratulate Becky Mudd on the completion of her 263-mile run to raise money for and awareness of pediatric cancer and for her ongoing efforts to support this important cause.

2. Public Hearing to Consider Groundwater Management Plan 2015 Update

President Green opened the Public Hearing to update the District's Groundwater Management Plan (Plan) and solicit public comments on the Plan prior to its adoption on June 17, 2015. Executive Director Greg Woodside recalled that the draft updated Plan was made available for public review on April 13, noting that the Plan has been updated periodically with the latest update adopted in 2009. He advised that the 2015 update sets forth basin management goals and objectives, describes accomplishments, presents basin management strategies, and provides information about projects completed since publication of the last update. Further, he stated the Plan also incorporates additional Plan elements required by the California Sustainable Groundwater Management Act that became law in 2014. Mr. Woodside advised that the 2015 Plan discusses the District's overall goals of managing the basin as: to protect and enhance groundwater quality, to protect and increase the sustainable yield of the basin in a cost-effective manner, and to increase the efficiency of OCWD operations. He stated the comment period for the draft plan is open until May 22, 2015 and, after the public comment period is closed, staff will respond to comments and will prepare a revised version that addresses comments received to present to the Board for approval at its June 17 Board meeting.

President Green then opened the hearing for public comment.

Irvine Ranch Water District Director Peer Swan stated that he saw no chronology in the Plan where OCWD purchased the SAVI Ranch land along the Santa Ana River which he believes to be a milestone. Secondly, he stated the basin is currently down between 300,000 – 400,000 acre-feet and he does not see where in the conjunctive use plan OCWD has been collecting the money to buy imported water when it becomes available again in order to refill the basin. He stated that under the conjunctive use management plan, either OCWD has water in the ground or the money to buy water to fill the basin so the basin is not so overdrafted. Mr. Swan stressed that up until this year, MWD water was freely available in quantities that OCWD could have purchased enough to have a full basin at the beginning of this year.

There being no other persons wishing to present testimony, President Green declared the hearing closed.

CONSENT CALENDAR

Director Flory requested the removal of Item No. 19, *Amendment to Agreement with Parsons*, from the Consent Calendar. The balance of the Consent Calendar was then approved by Director Anthony, seconded by Director Flory and carried [8-0] as follows.

Ayes: Anthony, Bilodeau, Dewane, Green, Flory, Reyna, Sidhu, Yoh

Absent: Nguyen, Sheldon

3. Approval of Cash Disbursements

MOTION NO. 15-85
APPROVING CASH DISBURSEMENTS

Payment of bills for the period April 9, 2015 through May 6, 2015 in the total amount of \$9,495,541.53 is ratified and approved.

4. Approval of Minutes of Board Meeting

MOTION NO. 15-86
APPROVING MINUTES OF BOARD MEETINGS

The minutes of the Board of Directors meeting held April 1, April 15, and April 24, 2015 are approved as presented.

5. Agreement with Academy Electric Inc. for Hallway Exhibit Lighting Installation

RESOLUTION NO. 15-5-56
AGREEMENT TO ACADEMY ELECTRIC INC. FOR
HALLWAY EXHIBIT LIGHTING INSTALLATION

RESOLVED, that issuance of an Agreement is authorized to Academy Electric Inc. for an amount not to exceed \$58,500 for the Administration Building Hallway Exhibit Lighting Installation; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

6. Agreement with General Pump Company

RESOLUTION NO. 15-5-57
AGREEMENT WITH GENERAL PUMP COMPANY TO REMOVE, INSPECT, REPAIR AND
REINSTALL THE PUMP FROM THE ANAHEIM LAKE WELL

RESOLVED, that issuance of an Agreement is authorized to General Pump Company for an amount not to exceed \$35,147 to remove, inspect, and rebuild the pump from the Anaheim Lake Well; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD APRIL 24

7. Amendment to Lease and Consent to Parking Sublease with D.G. Performance Specialties, Inc.

RESOLUTION NO. 15-5-58
APPROVING AMENDMENT FOUR TO LEASE WITH CORONA RECREATION AND
CONSENT TO PARKING SUBLEASE WITH
D. G. PERFORMANCE SPECIALTIES, INC. AT WARNER BASIN

WHEREAS, pursuant to Resolution No. 06-9-123 adopted September 20, 2006, as subsequently amended, OCWD approved a Lease with Corona Recreation, Inc. for operation of a fishing concession at Warner Basin and Anaheim Lake for a term of 10-years through September 30, 2016; and

WHEREAS, the Property Management Committee of this Board has presented and recommended Amendment Four to such Lease and Consent to Parking Sublease that amends the Lease Premises to include an additional area for the parking of 14 vehicles at Warner Basin by Sublessee D. G. Performance Specialties, Inc.:

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned Amendment Four to the Lease with Corona Recreation, Inc. and Consent to Parking Sublease as described herein: and, upon approval as to form by District General Counsel, its execution by the District's officers is authorized.

8. Assignment of Lease with Dan Copp Crushing

RESOLUTION NO. 15-5-59
AUTHORIZING CONSENT TO ASSIGNMENT OF LEASE WITH DAN COPP CRUSHING
AT RICHFIELD ROAD, ANAHEIM

WHEREAS, pursuant to Resolution No. 07-3-28 adopted March 7, 2007, as subsequently amended, OCWD authorized a Lease to Dan Copp Crushing Corporation (DCC) for the operation of an asphalt/cement/recycling plant and equipment and material storage on a 8.2 acre parcel of District land at 1100 Richfield Road, Anaheim; and

WHEREAS, on April 15, 2015 the District was advised that Dan Copp plans to retire from DCC and that DCC will redeem 100% of Mr. Copp's shares, and the remaining shareholders, namely, Jason Ayres and Karen Ayres, will continue as shareholders of DCC and no new shareholders will be added nor will Mr. Copp's stock be sold to a third party or to other shareholders; and

WHEREAS, the Property Management Committee of this Board has recommended approval of the Consent to Assignment of such Lease to Dan Copp Crushing Corporation:

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby Consent to Assignment of Lease with Dan Copp Crushing Corporation; and, upon approval as to form by District General Counsel, its execution by the District's officers is authorized.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT RETIREMENT COMMITTEE MEETING HELD APRIL 28

9. 457(B) Deferred Compensation and 401(A) Money Purchase Plan Reviews

MOTION NO. 15-87
 APPROVING RETIREMENT PLAN FUND CHANGES

The following changes to the 457(b) Deferred Compensation Plan and the 401(a) Money Purchase Retirement Plan investment portfolios are hereby authorized.

457(b) Portfolio Funds	Action	Symbol
Ivy High Income A	Red Flag	WHIAX
Fidelity Spartan US Bond Idx Investor	Red Flag	FBIDX

401(a) Portfolio Funds	Action	Symbol
T. Rowe Price Small-Cap Value Adv	Remove	PASVX
Lazard US Small Mid Cap Equity	Map to	LZCOX
Columbia Small Cap Index	Add	NMSAX
AllianceBern Discovery Growth A	Red Flag	CHCLX
Prudential Jennison Mid Cap Growth A	Red Flag	PEEAX
Victory Established Value A	Remove Red Flag	VETAX
Fidelity Low-Priced Stock	Red Flag	FLPSX
JPMorgan Large Cap Growth A	Red Flag	OLGAX
Fidelity Spartan US Bond Idx Investor	Red Flag	FBIDX

10. Investment Policy Statement Updates - 401(a) and 457(b) Retirement Plans

RESOLUTION NO. 15-5-60
 ADOPTING UPDATED INVESTMENT POLICY STATEMENTS FOR THE 401(A)
 AND 457(B) RETIREMENT PLANS

RESOLVED, that the updated Investment Policy Statements for the 401(a) Money Purchase Retirement Plan and 457(b) Deferred Compensation Plan are hereby adopted as presented (on file at the District office); and: upon approval as to form by District General Counsel, their execution by the District's officers is authorized.

CONSENT CALENDAR ITEMS RECOMMENDED FOR APPROVAL AT WATER ISSUES COMMITTEE MEETING HELD MAY 13

11. Agreement with Total-Western Inc. for Boiler Heat Exchanger Coils

RESOLUTION NO. 15-5-61
AGREEMENT TO TOTAL-WESTERN, INC FOR THE REPLACEMENT OF
HVAC BOILER HEAT EXCHANGER COILS

RESOLVED, that issuance of an Agreement is authorized to Total-Western Inc. in an amount not to exceed \$31,750 to replace two HVAC Patterson Kelly N1500 boiler heat exchanger coils; and, upon approval as to form by District General Counsel, its execution by the District's officers is authorized.

12. Amendment to Agreement with TerraCosta Consulting Group, Inc.

RESOLUTION NO. 15-5-62
APPROVING AMENDMENT TO AGREEMENT WITH TERRACOSTA CONSULTING GROUP
FOR DESIGN OF SANTIAGO BASINS SADDLE REPAIR PROJECT

WHEREAS pursuant to Resolution No. 13-7-91 adopted July 24, 2013, OCWD authorized Agreement No. 0936 to TerraCosta Consulting Group, Inc. for design of the Santiago Basins Saddle Repair Project; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 2 to such Agreement with TerraCosta Consulting Group, Inc. in the amount of \$46,000 for modified design of the Santiago Basins Saddle Repair Project;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 2 to the Agreement with TerraCosta Consulting as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

13. Amendment to Agreement with Carollo Engineers, Inc.

RESOLUTION NO. 15-5-63
AUTHORIZING AMENDMENT TO AGREEMENT WITH CAROLLO ENGINEERS, INC. FOR
ADDITIONAL DESIGN AND CONSTRUCTION PHASE SUPPORT SERVICES FOR
IMPERIAL HEADGATES AND WEIR POND REHABILITATION PROJECT

WHEREAS, pursuant to Resolutions No. 12-9-110 and 13-6-67 and adopted September 19, 2012 and June 19, 2013, respectively, OCWD authorized Agreement No. 0867 to Carollo Engineers, Inc. for design work on the Imperial Headgates Rehabilitation Project; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 3 to Agreement No. 0867 with Carollo Engineers, Inc. for \$38,532 for additional design work and construction phase support on the Imperial Headgates and Weir Pond Rehabilitation Project.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 3 to the Agreement with Carollo Engineers as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

14. Public Right-of-Way Encroachment Permits

RESOLUTION NO. 15-5-64

RATIFICATION OF PUBLIC RIGHT-OF-WAY ENCROACHMENT PERMITS TO ACCESS DISTRICT-OWNED MONITORING WELLS AND ALAMITOS BARRIER INJECTION WELL

RESOLVED, that execution is hereby ratified of the following encroachment permits: six public right-of-way encroachment permits with the Cities of Huntington Beach and Santa Ana for one-year terms; a six-month permit with the City of Placentia; and a three-month permit with the City of Seal Beach for continued access to District-owned wells for a total cost of \$3,559.31.

15. Amendment to Agreement with A2Z Construct, Inc.

RESOLUTION NO. 15-5-65

AUTHORIZING AMENDMENT TO AGREEMENT WITH A2Z CONSTRUCT FOR HALLWAY DEMOLITION AND CONSTRUCTION OF WALLS AND DOORWAY

WHEREAS, pursuant to Resolution No. 15-2-20 adopted February 18, 2015, OCWD authorized issuance of Agreement No. 1056 to A2Z Construct, Inc. for hallway demolition and construction of walls and doorway; and

WHEREAS, the District staff has recommended issuance of Amendment No. 2 to Agreement with A2Z Construct, Inc. for an amount not to exceed \$1,110 for additional work associated with the hallway demolition and construction of walls and doorway:

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby authorize issuance of Amendment No. 2 to such Agreement with A2Z Construct, Inc. as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

16. Award of Contract No. FV-2015-1 Chemical Resistant Protective Coatings Project, to SoCal Pacific Construction Corp. dba National Coating & Lining Co.

RESOLUTION NO. 15-5-66

AWARDING CONTRACT NO. FV-2015-1, CHEMICAL RESISTANT PROTECTIVE COATINGS PROJECT, TO SOCAL PACIFIC CONSTRUCTION CORP. DBA NATIONAL COATING & LINING CO.

WHEREAS, a Notice Inviting Bids for Contract No. FV-2015-1, Chemical Resistant Protective Coatings Project, was published in *The Orange County Register* on March 10, 2015; and

WHEREAS, Addenda Nos. 1 and 2 were subsequently issued modifying the contract bid documents; and

WHEREAS, the following bids were received and opened on April 7, 2015:

Industrial Coating & Restoration Services, Inc.	\$380,500
Murphy Industrial Coatings, Inc.	\$572,534
SoCal Pacific Construction Corp. dba National Coating & Lining Co.	\$587,850
Angelus Waterproofing & Restoration, Inc.	\$616,454
Abhe & Svoboda, Inc.	\$625,399
Cor-Ray Painting Co.	\$992,200

WHEREAS, the Water Issues Committee of this Board has recommended rejection of the bids of Industrial Coatings & Restoration Services, Inc. and Murphy Industrial Coatings, Inc. due to the following bid informalities: Industrial Coating’s state contractor’s license was suspended at the time of the bid opening; Murphy Industrial Coatings’ failure to use the revised bid schedule and Addendum No. 1 which included an additional line item; and

WHEREAS, the Water Issues Committee has recommended award of said contract to the lowest responsive bidder, SoCal Pacific Construction Corp. dba National Coating & Lining Co. in the amount of \$587,850; and

WHEREAS, the Water Issues Committee has further recommended a project budget for such contract of \$650,000;

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 Contract No. FV-2015-1 Chemical Resistant Protective Coatings Project, is hereby received and filed, and issuance of Addenda Nos. 1-2 is ratified.

Section 2: The bids of Industrial Coatings & Restoration Services, Inc. and Murphy Industrial Coatings, Inc. are determined to be unresponsive.

Section 3: The lowest responsive bid of SoCal Pacific Construction Corp. dba National Coating & Lining Co. in the amount of \$587,850 is accepted and all other bids are rejected.

Section 4: 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 SoCal Pacific Construction Corp. dba National Coating & Lining Co., pursuant to the terms of its proposal.

Section 5: 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 6: Staff is directed to notify the unsuccessful bidders of the action taken herein and, upon execution of the agreement by the successful bidder, to return to the unsuccessful bidders their Bid Bonds.

Section 7: A project budget in the amount of \$650,000 is established.

17. State Revolving Fund Loan-Reimbursement for La Palma Recharge Basin and Notice Inviting Bids

RESOLUTION NO. 15-5-67
STATING OCWD INTENTION TO REIMBURSE ITSELF FOR EXPENDITURES PAID
PRIOR TO ISSUANCE OF OBLIGATIONS OR APPROVAL BY
STATE WATER BOARD OF THE PROJECT FUNDS
FOR THE LA PALMA RECHARGE BASIN PROJECT

WHEREAS, the Orange County Water District (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, THE AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1: The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

Section 2: The reasonably expected maximum principal amount of the Project Funds is \$6,590,545.

Section 3: This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.

Section 4: Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

Section 5: To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

Section 6: This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

Section 7: All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

MOTION NO. 15-88
AUTHORIZING PUBLICATION OF NOTICE INVITING BIDS FOR CONTRACT
NO. LPRB-2015-1, LA PALMA RECHARGE BASIN PROJECT.

Publication of Notice Inviting Bids is authorized for Contract No. LPRB-2015-1, La Palma Recharge Basin Project.

18. Prop 84 Round 3 Watershed-Wide Grant Funding Proposal and MOU

RESOLUTION NO. 15-5-68
APPROVING MEMORANDUM OF UNDERSTANDING FOR THE SANTA ANA RIVER
CONJUNCTIVE USE PROJECT WITH OCWD, WMWD, IEUA, SBVMWD AND EMWD

WHEREAS, four agencies participate in the Santa Ana River Watermaster, namely, Orange County Water District (OCWD), Western Municipal Water District (WMWD), Inland Empire Utilities Agency (IEUA), and San Bernardino Valley Municipal Water District (SBVMWD); and

WHEREAS, the aforementioned four agencies and the Eastern Municipal Water District (EMWD) have been meeting as a group referred to as the Santa Ana River (SAR) Watermaster Action Team to explore potential new large-scale water supply reliability, water use efficiency, and environmental projects for the watershed to request grant funding through Proposition 84 Round 3; and

WHEREAS, the District staff recommends that OCWD enter into an MOU with the aforementioned five agencies providing that such agencies will collaborate in the implementation of the project including any future projects identified by the agencies, concerning large-scale water supply reliability projects that will provide benefits to the entire watershed, and that the agencies will work together and take such action as may be necessary to secure grants or other necessary funding, including Propositions 84 and 1 funding; and

WHEREAS, such MOU does not bind or commit OCWD to any particular project and the District can terminate its participation in this effort at its sole discretion; and

WHEREAS, staff further recommends that the Board authorize payment of \$17,830 to the SBVMWD for the District’s cost share in the Santa Ana River Watermaster Action Team evaluation of watershed-scale conjunctive use projects and water use efficiency and preparation of Proposition 84 grant funding submittal, bringing the District’s total contribution to \$67,120;

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

Section 1: Upon approval as to form by District General Counsel, the aforementioned MOU is approved as outlined herein, and its execution by the District officers is authorized.

Section 2: Payment of \$17,830 is authorized to the San Bernardino Valley Municipal Water District for the District's cost share in the Santa Ana River Watermaster Action Team evaluation of watershed-scale conjunctive use projects and water use efficiency and preparation of Proposition 84 grant funding submittal, bringing the District's total contribution to \$67,120.

19. Amendment to Agreement with Parsons

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

20. Agreement with Interloc Solutions, Inc.

RESOLUTION NO. 15-5-69
AUTHORIZING AGREEMENT TO INTERLOC SOLUTIONS, INC. FOR PROGRAMMING
SERVICES FOR MAXIMO COMPUTERIZED MAINTENANCE
MANAGEMENT SYSTEM UPGRADE

RESOLVED, that issuance of an Agreement to Interloc Solutions is authorized for an amount not to exceed \$497,100 for Programming Services for the Maximo Computerized Maintenance Management System Upgrade; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

RESOLVED FURTHER, that increase of the 2015/2016 Capital Improvement Budget line item C11002 by \$127,100 to \$497,100 is authorized.

21. Arundo Control in the Prado Basin

RESOLUTION NO. 15-5-70
AUTHORIZING AGREEMENT TO ACS HABITAT MANAGEMENT FOR
ARUNDO DONAX CONTROL IN THE PRADO BASIN

RESOLVED, that issuance of an Agreement is authorized to ACS Habitat Management, the lowest responsive bidder, for spraying of Arundo donax in the Prado Basin burn area over a five-year period for an amount not to exceed \$889,000; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

ITEM REMOVED FROM CONSENT CALENDAR FOR CONSIDERATION

19. Amendment to Agreement with Parsons

Director Flory requested information on changes to the construction schedule due to contractor delays. General Manager Markus advised that there were a number of issues causing delays, the largest of which was the issue of contaminated soil on the OCSD site. Further, he stated staff had issues with dewatering and the contractor put in a claim for \$750,000 due to unforeseen circumstances which was negotiated and OCWD agreed to give the contractor more time for project completion if they did not pursue the claim. The Board then took the following action.

Upon motion by Director Flory, seconded by Director Anthony, the following resolution was unanimously adopted.

Ayes: Anthony, Bilodeau, Dewane, Green, Flory, Reyna, Sidhu, Yoh

Absent: Nguyen, Sheldon

RESOLUTION NO. 15-5-71

AUTHORIZING AMENDMENT TO AGREEMENT WITH PARSONS FOR ADDITIONAL
CONSTRUCTION MANAGEMENT SERVICES FOR
THE GWRS INITIAL EXPANSION PROJECT

WHEREAS, pursuant to Resolution No. 11-5-64, adopted May 4, 2011, as amended, OCWD authorized Agreement No. 0744 with Parsons for Construction Management Services for the GWRS Initial Expansion; and

WHEREAS, the Water Issues Committee of this Board has recommended approval of Amendment No. 5 to such Agreement with Parsons for an amount not to exceed \$145,220 for additional time required for construction services required for the GWRS Initial Expansion project, bringing the contraction completion date to October 30, 2015; and

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment No. 5 to the Agreement with Parsons as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

MATTER FOR CONSIDERATION

22. Partial Release Agreement with Evoqua Water Technologies, LLC

Executive Director Bill Hunt recalled that the Evoqua Water Technologies (formerly Siemens Memcor) microfiltration system for GWRS has a portion of its piping that has exhibited a persistent tendency to fail along one particular joint that is subject to reciprocating stresses. He stated that in order to keep the GWRS plant running, staff has expended considerable effort and expense making repairs on a nearly continuous basis for the past six years. Mr. Hunt advised that following a multi-year conversation with Evoqua regarding the nature of the problem and possible solutions, both sides have arrived at a fair and equitable solution, and recommended approval of the Partial Release Agreement wherein Evoqua would provide 24 filtrate headers to be fabricated out of schedule 40 stainless steel, additional pipe bracing and associated hardware at no cost to the District. Mr. Hunt stated the District maintenance staff would provide the labor required to replace each individual

filtrate header piping as future failures occur. Mr. Hunt indicated this approach allows for systematic replacement of the 24 system one-by-one without turning the plant down or reducing water production that would occur if the replacements were contracted to an outside entity. The Board then took the following action.

Upon motion by Director Dewane, seconded by Director Anthony, the following resolution was unanimously carried [8-0].

Ayes: Anthony, Bilodeau, Dewane, Green, Flory, Reyna, Sidhu, Yoh

Absent: Nguyen, Sheldon

RESOLUTION NO. 15-5-72
AUTHORIZING APPROVAL OF PARTIAL RELEASE AGREEMENT WITH
EVOQUA WATER TECHNOLOGIES, LLC

WHEREAS, certain claims and disputes arose between Evoqua Water Technologies LLC as successor in interest to Siemens Water Technologies Corp. and the Orange County Water District (Parties) with respect to filtrate headers supplied by Siemens under its contract with OCWD for the first phase of the Groundwater Replenishment System; and

WHEREAS, Parties desire to enter into an Agreement to resolve all such disputes and claims related only to the filtrate headers supplied by Siemens, and the District staff has presented and recommended approval of the no cost Partial Release Agreement with Evoqua Technologies, LLC providing for Evoqua's fabrication and supply to the District of 24 improved design microfiltration headers and associated hardware, plus the delivery of materials;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve the aforementioned Partial Release Agreement with Evoqua Technologies, LLC as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

23. INFORMATIONAL ITEMS

A. Water Resources Report

There was no discussion of this item.

B. Santa Ana Watershed Project Authority Activities

Director Anthony advised that SAWPA recently approve a two-year budget, noting that the cost OCWD pays for administrative costs has been reduced.

C. Groundwater Remediation Monthly Status Update

C. Groundwater Remediation Monthly Status Update

Executive Director William Hunt provided a briefing on the North Basin, South Basin and MTBE groundwater remediation projects as contained in tonight's Agenda packet. He stated that staff reached out to the Orange County Business Council (OCBC) and requested its help in organizing a

meeting with Northrop principals to discuss a collaborative remediation approach for the North Basin. OCBC advised that Northrop had two stipulations: one that select Board members attend, and second that Northrop receives a letter from US EPA committing to delay its regulatory oversight for one year. Mr. Hunt indicated staff feels the USEPA oversight delay is an unreasonable prerequisite and does not recommend this option. Director Dewane agreed and expressed concerns over the second point and suggested staff inquire if it could be waived for now, noting a better outcome if OCWD could meet with Northrop and see if there's an opportunity to get the responsible parties on the same page working cooperative toward a solution. Staff was directed to return to OCBC with Board comments.

Director Reyna requested to be part of any outreach in Santa Ana. Director Sidhu urged community involvement but objected to public outreach until the EPA signs an agreement. Director Flory stated the Fullerton City Council is proactively informing its citizens of the status of the contamination. Director Bilodeau stressed that the Board needs to make a decision on a public outreach plan, and noted he feels the process should be transparent and the public informed. Mike Markus stated staff is trying to get a temporary remediation in place as soon as possible and has set up a meeting on June 8 with a group of Groundwater Producers most impacted by the North and South Basin contamination. He advised that OCSD has agreed to allow water to be discharged into the pipeline but that the cost is expensive.

D. Groundwater Producer Meeting Minutes – May 13, 2015

Director Flory suggested the Groundwater Producers be involved in discussions regarding the Poseidon Term Sheet.

E. COMMITTEE/CONFERENCE/MEETING REPORTS

The Board reported on attendance at the following Committee meetings and noted the Minutes and/or Action Agendas were included in tonight's Board packet.

- April 24 - Property Management Committee
- April 28 - Retirement Committee
- May 13 - Water Issues Committee

24. VERBAL REPORTS

Director Green reported on her attendance at the ACWA Spring Conference. Mr. Markus advised that the Building ad hoc Committee met today and approved the hallway displays. Director Bilodeau advised that MWDOC has run out of funds for its turf removal program and suggested OCWD consider contributing funds. Director Flory reported on her attendance at the Water Summit last Friday. She also reported that her City Council met on Phase 3 water conservation. Director Green reported on a turf removal meeting she and Director Nguyen attended where they learned that drought tolerant plants generate heat and decrease humidity. She stressed the need to look at the ramifications of removing plants and lawns and replacing them with drought proof plants.

25. ADJOURNMENT TO CLOSED SESSION

The Board adjourned to Closed Session at 7:0 p.m. as follows.

- CONFERENCE WITH LABOR NEGOTIATORS [Government Code Section 54957.6]
 OCWD designated representative: Stephanie Dosier
 - ⊙ Employee Organization: Orange County Employee Association
 - ⊙ Non-Represented Employees (Confidential and Management)

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – [Government Code Section 54956.9(a)] – One Case:
OCWD v. Sabic Innovative plastics, LLC, et al (South Basin Litigation) Superior Court Case No. 03CC 00078246

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 8:05 p.m. whereupon Assistant General Counsel Jeremy Jungries reported that the Board by the unanimous approval of those present [8-0], took the following action in Closed Session.

RESOLUTION NO. CS-15-5-1

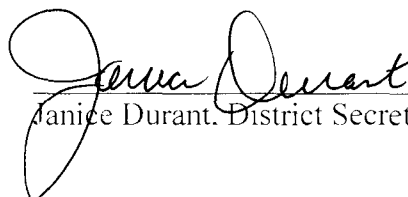
APPROVING FINAL SETTLEMENT IN THE OCWD V. SABIC INNOVATIVE PLASTICS (SUPERIOR CASE NO. 03CC 00078246) AS INCLUDED IN THE WRITTEN AGREEMENT APPROVED AND SIGNED BY THE BOARD THE MATERIAL TERMS OF WHICH ARE THE AGREEMENT BY THE CAMPBELL TRUST TO PLACE IN ESCROW \$2.25 MILLION FOR ONSITE CLEANUP OF THE CAMPBELL TRUST SITE WITH ANY FUNDS REMAINING AFTER CLEANUP TO BE USED FOR OFFSITE CLEANUP

Ayes: Anthony, Bilodeau, Dewane, Green, Flory, Reyna, Sidhu, Yoh

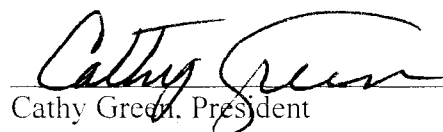
Absent: Nguyen, Sheldon

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:07 p.m.



 Janice Durant, District Secretary



 Cathy Green, President