

MINUTES OF REGULAR MEETING – OCTOBER 23, 2017

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President Reinhart on October 23, 2017 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: LaMar, Reinhart, Matheis, and Withers

Directors Absent: Swan

Also Present: General Manager Cook, Executive Director of Water Policy Weghorst, Executive Director of Engineering and Water Quality Burton, Executive Director of Finance and Administration Clary, Director of Public Affairs Beeman, Public Affairs Manager Fabris, Executive Director of Operations Sheilds, Director of Human Resources Roney, Director of Treasury and Risk Manager Jacobson, Director of Water Operations Zepeda, Director of Maintenance Drake, Director of Water Resources Sanchez, Legal Counsel Smith, Secretary Bonkowski, Sr. Human Resources Analyst Srader, Mr. Bob Denhaan, Mr. David Hayden, Principle Engineer Cortez, and Mr. Bruce Newell.

WRITTEN AND ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

PRESENTATION – COMMENDATION OF DAVID HAYDEN FOR 36 YEARS OF SERVICE TO THE DISTRICT

On MOTION BY Matheis, seconded and unanimously carried, THE FOLLOWING RESOLUTION WAS ADOPTED BY TITLE:

RESOLUTION NO. 2017-24

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
DAVID “DAVE” HAYDEN FOR HIS DEDICATED AND
OUTSTANDING SERVICE TO THE DISTRICT

General Manager Cook presented the resolution to Mr. David Hayden. Mr. Hayden thanked the Board for being able to serve the District for 36 years.

CONSENT CALENDAR

General Manager Cook asked that item No. 10A be moved to the Action Calendar for discussion. There being no objection, this item was moved accordingly. On MOTION by Matheis, seconded and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 10 WERE APPROVED AS FOLLOWS:

CONSENT CALENDAR (CONTINUED)

4. RATIFY/APPROVE BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS

Recommendation: That the Board ratify/approve the meetings and events for Steven LaMar, Mary Aileen Matheis, and Douglas Reinhart.

5. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the October 9, 2017 Regular Board Meeting be approved as presented.

6. IRVINE RANCH WATER DISTRICT STRATEGIC MEASURES

Recommendation: Receive and file.

7. SEPTEMBER 2017 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report, the Monthly Interest Rate Swap Summary for September 2017, and Disclosure Report of Reimbursements to Board Members and Staff; approve the September 2017 Summary of Payroll ACH payments in the total amount of \$2,628,555 and approve the September 2017 Accounts Payable Disbursement Summary of Warrants 380088 through 380837, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$17,908,966.

8. REIMBURSEMENT AGREEMENT BETWEEN IRWD AND THE CITY OF IRVINE FOR RELOCATION AND ADJUSTMENT OF IRWD FACILITIES FOR THE UNIVERSITY DRIVE WIDENING

Recommendation: That the Board authorize budget increases in the amount of \$100,000 each for Projects 07170, 07171 and 07172, each from \$148,000 to \$248,000, and authorize the General Manager to execute a Reimbursement Agreement with the City of Irvine for relocating and adjusting IRWD facilities as part of its University Drive Widening Project, Capital Improvement Project No. 311306.

9. FINAL ACCEPTANCE OF FACILITIES – SAN JOAQUIN MARSH

Recommendation: That the Board accept construction of the San Joaquin Marsh Improvements, Project 06168; authorize the General Manager to file a Notice of Completion; and authorize the payment of the retention 35 days after the date of recording the Notice of Completion

10. AUTOMATION SUPPORT CONSULTANT SERVICES

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement in the amount of \$200,000 with Veritech Industrial Systems, LLC for automation support services for upcoming projects.

ACTION CALENDAR

2017 SPECIAL DISTRICTS REPRESENTATIVE SEAT ELECTION FOR THE COUNTYWIDE ORANGE COUNTY REDEVELOPMENT AGENCY OVERSIGHT BOARD

General Manager Cook reported that a revised motion has been placed before each director relative to voting in case Director Matheis elects not to run for the seat.

Government Relations Officer Compton reported that in 2012, California dissolved all of the redevelopment agencies throughout the state, and that in 2015, state law was changed to require the creation of countywide oversights to oversee the activities of former the redevelopment agencies and their successor agencies. She said that each county's oversight board is to be created in 2018 and must include one special district representative and that the special district representative is to be selected by the Independent Special District Selection Committee.

Ms. Compton said that in September, the Orange County Local Agency Formation Commission (LAFCO), which staffs the Independent Special District Selection Committee, notified Orange County special districts that they would hold an election for the special districts seat on the countywide Orange County Redevelopment Agency Oversight Board. She said that as part of the election process, the Executive Officer of LAFCO is now accepting nominations for the position and "Declaration of Qualification to Vote" forms designating the voting member and alternative for each special district seeking to vote in the election.

On MOTION by LaMar, seconded and unanimously carried, the BOARD ACCEPTED THE REVISED MOTION AND AUTHORIZED THE DISTRICT SECRETARY TO SUBMIT THE "DECLARATION OF QUALIFICATION TO VOTE" FORM DESIGNATING PRESIDENT DOUG REINHART AS IRWD'S AUTHORIZED VOTING MEMBER AND VICE PRESIDENT PEER SWAN AS IRWD'S ALTERNATE VOTING MEMBER FOR THE ORANGE COUNTY SPECIAL DISTRICT SELECTION COMMITTEE ELECTION; NOMINATED DIRECTOR MARY AILEEN MATHEIS, SHOULD SHE DECIDE TO RUN, AS A CANDIDATE FOR THE SPECIAL DISTRICT REPRESENTATIVE SEAT ON THE ORANGE COUNTY REDEVELOPMENT AGENCY OVERSIGHT BOARD; AUTHORIZED PRESIDENT REINHART OR THE DESIGNATED ALTERNATE TO SUBMIT THE "2017 NOMINATION FORM" ON BEHALF OF DIRECTOR MATHEIS; AND AUTHORIZED THE DISTRICT'S VOTING MEMBER TO CAST THE DISTRICT'S BALLOT IN FAVOR OF DIRECTOR MATHEIS SHOULD SHE ELECT TO RUN, OR FOR ANOTHER QUALIFIED CANDIDATE IF DIRECTOR MATHEIS ELECTS NOT TO RUN FOR THE SEAT.

ORANGE PARK ACRES SEWER SERVICE AGREEMENT AMENDMENT

Due to low customer interest for a community-wide sewer system in Orange Park Acres (OPA), staff recommends approval of a revised Addendum to the Application for Service and Agreement with the Irvine Ranch Water District for sewer service within Orange Park Acres (Improvement District 256). On MOTION by LaMar, seconded and unanimously carried, THE BOARD APPROVED A REVISED ADDENDUM NO. 9 TO THE APPLICATION FOR SERVICE AND AGREEMENT WITH THE IRVINE RANCH WATER DISTRICT FOR SEWER SERVICE WITHIN ORANGE PARK ACRES (IMPROVEMENT DISTRICT 256).

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CONTRACT CHANGE ORDERS NO. 64 AND NO. 65

Executive Director of Engineering and Water Quality Burton reported that Contract Change Order (CCO) No. 64 includes costs for several structural, electrical, instrumentation, and controls items and that CCO No. 65 includes mechanical, electrical, and instrumentation changes. Mr. Burton said that negotiation of CCOs sometimes requires an extended period of time to fully agree on the changes, costs, and submission for approval and that this extended period of time may adversely impact the cash flow of the contractor, its subcontractors, and suppliers, and as an act of good faith, staff is submitting these items and includes the amounts agreed to by staff. He said that when staff and Filanc/Balfour Beatty agree to a final CCO amount, any cost difference reflected in CCO No. 65 and the final agreed upon amount will be accounted for in a subsequent CCO. Mr. Burton discussed the coding for these change orders noted on the exhibit. Additionally, he said that the design consultant sees all of the design oversight items.

On MOTION by LaMar, seconded and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 64 IN THE AMOUNT OF \$231,100.22 WITH FILANC/BALFOUR BEATTY FOR STRUCTURAL, ELECTRICAL, INSTRUMENTATION, AND CONTROLS MODIFICATIONS; AND APPROVED CONTRACT CHANGE ORDER NO. 65 IN THE AMOUNT OF \$149,591.14 WITH FILANC/BALFOUR BEATTY FOR MECHANICAL, ELECTRICAL, AND INSTRUMENTATION CHANGES FOR THE MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 04286.

GENERAL MANAGER'S REPORT

General Manager Cook reported on a Stakeholders' meeting this Thursday as a follow-up to September's meeting with the City of Newport Beach's Water Quality/Coastal Tidelands Committee. He noted that he has a number of other coordination meetings scheduled to discuss how agencies fit together when OCSD reaches capacity at its facility in Fountain Valley.

Mr. Cook noted that Irvine's City Manager Sean Joyce will be retiring and asked staff to prepare a resolution in January commending his service.

Mr. Cook said that he will be speaking tomorrow in Rancho Mirage at a CalPers conference providing an overview of IRWD's trust.

Mr. Cook presented to the Board a plaque received from ASCE recognizing the District for the Peters Canyon (Wash) Channel Water Capture and Reuse Pipeline project as its Environmental Engineering Project of the Year.

Director of Human Resources Roney introduced Ms. Lisa Srader, its newest employee.

Ms. Beeman showed the Board a copy of IRWD's recent water campaign which covered a one-page ad in the Irvine World News.

DIRECTORS' COMMENTS

Director Matheis reported on a recent resident tour last Saturday, a Friends of Harbor, Beaches and Parks celebration in Newport Beach, an ACWA Regulatory Summit in Sacramento, and an NWRI Clarke Awards and conference in Irvine.

Director Withers reported on his attendance at a Costa Mesa Sanitation District's State of the District event and a monthly WACO meeting.

Director LaMar reported on his attendance at ACWA's Regions 6 and 7 Water forum in Visalia, an ACWA Region 10 meeting, a Friends of Harbor, Beaches and Parks celebration in Newport Beach, and a water banking event with Executive Director of Water Policy Weghorst.

Director Reinhart reported on his attendance at a MWDOC Board meeting.

CLOSED SESSION

President Reinhart said that a Closed Session would be held with Labor Negotiator pursuant to Government Code Section 54957.6: Agency Designated Representative: President Reinhart; Unrepresented Employee: Paul Cook

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors LaMar, Reinhart, Withers and Matheis present. President Reinhart said that there was no action to report.

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting.

APPROVED and SIGNED this 13th day of November, 2017.

President, IRVINE RANCH WATER DISTRICT

Assistant Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Alfred Smith, Legal Counsel – Nossaman LLP