

MINUTES OF REGULAR MEETING – SEPTEMBER 9, 2013

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 August 26, 2013 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Withers, Swan, Matheis, LaMar and Reinhart

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Finance Clary, Executive Director of Engineering Burton, Executive Director of Operations Sheilds, Executive Director of Water Policy Heiertz, Director of Water Resources Weghorst, Director of Public Affairs Beeman, Director of Human Resources Roney, Legal Counsel Arneson, Secretary Bonkowski, Ms. Christine Compton, Mr. Mike Hoolihan, Mr. Ray Bennett, Mr. Jim Reed, Mr. Bruce Newell, Mr. Jim Cathcart, Mr. Ben Porter, and other members of the public and staff.

WRITTEN COMMUNICATION: None.

ORAL COMMUNICATION

Mrs. Joan Irvine Smith's assistant addressed the Board of Directors with respect to the Dyer Road wellfield. She said it was her understanding that currently wells 4, 5, C-8, C-9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 will operate in accordance with the District's annual pumping plan. Wells 1, 2, 3, 6 and 7 will be off. This was confirmed by Mr. Cook, General Manager of the District.

With respect to the OCWD annexation of certain IRWD lands, on June 5, 2009, IRWD received a letter from OCWD noting that OCWD has completed the formal responses to comments they previously received on the draft program Environmental Impact Report. The letter further noted that with this task completed, OCWD has exercised its right to terminate the 2004 Memorandum of Understanding (MOU) regarding annexation. OCWD also indicated that due to the lack of progress on the annexation issue, the draft program Environmental Impact Report will not be completed. On June 8, 2009, OCWD completed the Long-Term Facilities Plan which was received and filed by the OCWD Board in July 2009. Staff has been coordinating with the City of Anaheim (Anaheim) and Yorba Linda Water District (YLWD) on their most recent annexation requests and has reinitiated the annexation process with OCWD. IRWD, YLWD and Anaheim have negotiated a joint MOU with OCWD to process and conduct environmental analysis of the annexation requests. The MOU was approved by the OCWD Board on July 21, 2010. This was confirmed by Mr. Cook.

With respect to the Groundwater Emergency Service Plan, IRWD has an agreement in place with various south Orange County water agencies, MWDOC and OCWD, to produce additional groundwater for use within IRWD and transfer imported water from IRWD to south Orange County in case of emergencies. IRWD has approved the operating agreement with certain south Orange County water agencies to fund the interconnection facilities needed to affect the

emergency transfer of water. MWDOC and OCWD have also both approved the operating agreement. This was confirmed by Mr. Cook.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - None.

CONSENT CALENDAR

On MOTION by Matheis, seconded and unanimously carried (Swan absent), CONSENT CALENDAR ITEMS 3 THROUGH 10 WERE APPROVED AS PRESENTED.

3. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the August 26, 2013 Regular Board meeting be approved as presented.

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, Peer Swan, and Douglas Reinhart.

5. ACWA REGION 10 ELECTION FOR THE 2014-15 TERM

Recommendation: That the Board support the candidates as selected by the ACWA Region 10 Nominating Committee and authorize the General Manager to sign the Region 10 Board Ballot for the 2014-15 term.

6. ISDOC PROPOSED BYLAW AMENDMENTS

Recommendation: That the Board authorize staff to submit comments, as deemed appropriate by the Board, before September 20, 2013, for consideration by the Independent Special Districts of Orange County.

7. STATE LEGISLATIVE UPDATE

Recommendation: Receive and file.

8. COUNTY OF ORANGE LEGISLATIVE PLATFORM REQUEST FOR COMMENT

Recommendation: That the Board authorize staff to submit comments for consideration in the County of Orange 2014 legislative platform by the County of Orange, as deemed appropriate by the Board, before September 19, 2013.

CONSENT CALENDAR (CONTINUED)

9. VERIFICATION OF SUFFICIENT WATER SUPPLIES FOR PORTOLA CENTER (TENTATIVE TRACT MAPS 15353 AND 17300)

Recommendation: That the Board approve the Verification of Sufficient Water Supplies for Portola Center (Tentative Tract Maps 15353 and 17300).

10. VERIFICATION OF SUFFICIENT WATER SUPPLIES FOR CITY OF IRVINE PLANNING AREA 5B (TENTATIVE TRACT MAP 17532)

Recommendation: That the Board approve the Verification of Sufficient Water Supplies for Planning Area 5B (Tentative Tract Map 17532).

ACTION CALENDAR

SALT MANAGEMENT PLAN CONSULTANT SELECTION

Using a PowerPoint presentation, Director of Water Resources Weghorst discussed the need for a Salt Management Plan and showed the long-term 12-month running average of total dissolved solids (TDS) concentrations from the Michelson Water Recycling plant. Mr. Weghorst described the components of the proposed Salt Management Plan including: 1) an analysis of historic and future trends in TDS considering water supplies, water uses, water treatment, and current and future projects including MWRP Phase II, Wells 21 and 22 treatment plant, Baker Water Treatment Plant, Syphon Reservoir interim improvements and expansion, Poseidon projects, etc; 2) an evaluation of recycled water use requirements; 3) flow and water quality monitoring; 4) salt management strategies including cost estimates and implementation plan; and 5) policy recommendations.

Director Weghorst reviewed the consultant selection process. He said that on May 3, 2013, staff requested qualifications from 13 firms and that five firms submitted proposals including CDM Smith, CH2M Hill, MWH Americas, HDR Engineering Inc. and PACE Engineering. He said that following a review of the methods, experience and values associated with the qualifications and proposals, CDM Smith, CH2M Hill and HDR Engineering Inc. were selected for interviews. He said that based on the results of the interviews and a final review of the proposals, staff recommends awarding the Professional Services Agreement to HDR Engineering Inc. He said key strengths of its proposal included excellent project understanding; superior knowledge of IRWD's potable, non-potable water systems and future projects; scope of work is the most consistent with IRWD objectives; it has an experienced team of engineers who completed a similar project for the city of Phoenix; the costs are consistent with the scope of work; optional flow and water quality monitoring effort that staff believes may be necessary to finalize the Salt Management Plan if it is determined that existing data is not sufficient to accurately depict the District's current recycled water system salt balance. Mr. Weghorst introduced Mr. Jim Cathcart and Mr. Ben Porter from HDR to the Board.

Director LaMar reported that this item was reviewed by the Water Resources Policy and Communications Committee on September 4, 2013, and the Committee concurs with the staff recommendation. Following discussion, it was agreed that staff will bring back this item periodically to the Board for review and input. On MOTION by LaMar, seconded and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$176,400, FROM \$220,000 TO \$396,400, FOR PROJECT 30380 (3779); APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$344,300 FOR PROJECT 30380 (3779); AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HDR ENGINEERING INC. IN THE AMOUNT OF \$243,000 TO DEVELOP A SALT MANAGEMENT PLAN.

STRAND RANCH PUMP SETTING OPTIMIZATION AND WELLHEAD MONITORING EQUIPMENT DESIGN

Using a PowerPoint presentation, Director of Water Resources Weghorst reported that in 2010 and 2011, six new wells were constructed and one existing well was rehabilitated at the Strand Ranch Integrated Banking Project by Bakersfield Well and Pump. In April 2013, three wells began pumping and discharging to the Cross Valley Canal with three additional wells that started up in May 2013. Using a chart, Mr. Weghorst described why pumping water levels have been lower than expected as compared to original design estimates. He said that as a result of these observations, a Pump Setting Optimization Study needs to be performed which will include a new hydrogeologic assessment of what is expected in terms of a worst case scenario for static water levels as well as drawdowns due to the pumping of the Strand Ranch Wells. The study will also include hydraulic analyses needed to establish new well pump settings and to verify the ability to meet the 36 cfs production requirements. Plans and specifications and the other components of a complete bid package will be prepared to drop the pump bowls and to install swedged liners and drop tubes where necessary. In addition, a need for remote wellhead monitoring has been identified and remote telemetry equipment needs to be designed for the Strand Ranch wells. It is expected that the construction work resulting from these work activities would be put out to bid in one package.

Mr. Weghorst said that to perform the Pump Setting Optimization Study, staff has negotiated scopes of work, cost estimates and schedules with Thomas Harder and Company (THC) and Kennedy/Jenks Consultants (KJC). He said that THC is uniquely qualified to perform the work because of its unique numerical groundwater flow model of the Kern Fan area that was developed for Rosedale-Rio Bravo Water Storage District. This model is currently being used to evaluate potential groundwater level changes associated with various recharge and recovery scenarios within the Kern Fan area including implementation of IRWD Stockdale Integrated Banking Project. THC is well recognized for its technical capabilities in Kern County, and the knowledge and skills that it offers relative to completing the Well Pump Setting Optimization Study exceed what was available to IRWD during the design of the Strand Ranch well field. He further said that KJC is uniquely qualified to perform the work because it provided design services for the Strand Ranch Recovery Facilities Pipeline Facilities and Well Equipping Project where it designed all wellhead equipment including the motor control centers for each of the seven Strand Ranch Wells.

Following a discussion on the costs to perform the hydrogeologic analysis, on MOTION by Swan, seconded and unanimously carried, THE BOARD APPROVED AN EXPENDITURE AUTHORIZATION FOR PROJECT 11289 (2812) IN THE AMOUNT OF \$111,100; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT AND SOLE SOURCE PROCUREMENT JUSTIFICATION WITH THOMAS HARDER & COMPANY IN THE AMOUNT NOT TO EXCEED \$19,650 TO PERFORM A HYDROGEOLOGIC ANALYSIS OF WATER LEVELS; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT AND A SOLE SOURCE PROCUREMENT JUSTIFICATION WITH KENNEDY/JENKS CONSULTANTS IN THE AMOUNT OF \$70,827 TO PERFORM A HYDRAULIC ANALYSIS AND TO DEVELOP DESIGNS, SPECIFICATIONS AND A COMPLETE BID PACKAGE TO LOWER THE BOWLS AND TO INSTALL OTHER IMPROVEMENTS ON THE WELLS AT THE STRAND RANCH AND TO INSTALL REMOTE TELEMETRY EQUIPMENT AT EACH SITE.

GENERAL MANAGER'S REPORT

General Manager Cook reported that OCWD has delayed the annexation process to October and also that they will be meeting with the Groundwater Producers on September 23, 2013.

Mr. Cook introduced Ms. Jenny Roney, the District's new Human Resources Director, to the Board. Ms. Roney provided a brief report on her past work experience and education.

DIRECTORS' COMMENTS

Director Withers reported on his attendance at an OCSD inaugural Public Affairs Subcommittee meeting and that he will be serving on that Committee. He also said that he will be attending a LAFCO Commissioners meeting this Wednesday.

Director Swan said that he attended the OCSD Honor Walk Inductee event and a WACO monthly meeting. He said that he will be attending an ACC-OC realignment meeting this Thursday. In response to Director Swan's inquiry if a Board member has the ability to review all financial information by making a request to the General Manager, President Reinhart said that he will discuss the matter with the General Manager and provide a response to Director Swan.

Director LaMar said that he did not attend the Southern California Storm Water Task Force Committee meeting and that last Friday he attended ACWA's Task Force meeting in Sacramento.

Director Reinhart reported that he will be attending the WaterReuse Symposium and Board meeting in Colorado at the end of this week. He also said that he has been spending a lot of time on SOCWA issues and that it will select an interim General Manager in a week or two with the hiring process forthcoming.

Consultant Jim Reed reported on his attendance at an ISDOC Executive Committee meeting, a SOCWA Board meeting, and a WACO meeting on behalf of the District.

Consultant Bruce Newell also reported on his attendance at local meetings, including a facilitated meeting on an emergency plan with the Orange County Fire Authority.

ADJOURNMENT

President Reinhart adjourned the meeting at 6:10 p.m.

APPROVED and SIGNED this 23rd day of September, 2013.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone