

## MINUTES OF REGULAR MEETING – MARCH 28, 2016

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 Matheis on March 28, 2016 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Reinhart, LaMar, Matheis and Withers (arrived at 5:25 p.m.)

Directors Absent: Swan.

Also Present: General Manager Cook, Executive Director of Engineering and Water Quality Burton, Executive Director of Finance and Administration Clary, Executive Director of Water Policy Weghorst, Executive Director of Operations Sheilds, Director of Treasury and Risk Management Jacobson, Director of Water Resources Sanchez, Director of Human Resources Roney, Legal Counsel Arneson, Secretary Bonkowski, Government Relations Officer Compton, Mr. Eric Akiyoshi, Mr. Jim Reed, Mr. Bruce Newell, and other members of the public and staff.

WRITTEN AND ORAL COMMUNICATIONS: None.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None.

### CONSENT CALENDAR

On MOTION by LaMar, seconded and carried (3-2) (LaMar, Reinhart, Matheis voting aye, and Withers and Swan absent), CONSENT CALENDAR ITEMS 3 – 5 WERE APPROVED AS FOLLOWS:

3. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the March 14, 2016 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, Douglas Reinhart, Peer Swan, and John Withers as described.

5 FEBRUARY TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report, the Monthly Interest Rate Swap Summary for February 2016, and Disclosure Report of Reimbursements to Board members and staff; approve the February 2016 summary of payroll ACH payments in the total amount of \$1,560,359 and approve the February 2016 accounts payable disbursement summary of Warrants 364865 through 365607, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$29,907,100.

## ACTION CALENDAR

### PETERS CANYON WASH CHANNEL WATER CAPTURE AND REUSE PIPELINE AGREEMENT FOR DRY WEATHER URBAN RUNOFF DISCHARGE AND CONTRACT CHANGE ORDER

General Manager Cook reported that the Peters Canyon Wash Channel Water Capture and Reuse Pipeline project is under construction and is about 80 percent complete. Mr. Cook said that the project will divert nuisance surface and perched groundwater flows with high concentrations of selenium and nitrates from selected tributaries to Peters Canyon Wash Channel and deliver them in a pressure pipeline to the Main Street sewer that discharges to the Orange County Sanitation District (OCSD) for treatment and reuse. He said that the project will discharge to OCSD under the terms of OCSD's Dry Weather Urban Runoff Discharge Program which requires the execution of an agreement. He further said that the Agreement establishes various provisions including requirements for the cessation of all dry weather urban runoff flows during wet weather events, flow metering, water quality sampling, and reporting.

Executive Director of Engineering and Water Quality Burton reported that portions of the project pipeline (being constructed by the District's contractor, E.J. Meyer Company) are within the OCFCD access road along Peters Canyon Channel. The design included replacement requirements for portions of the access road impacted by the pipeline construction that exceeded the existing design of the access road. He said that staff coordinated with project representatives from the County and with the contractor to modify the structural section of the access road to match the existing conditions resulting in a credit in the amount of <\$87,800>.

Mr. Burton said that a portion of the project is being constructed adjacent to Como Channel and that the only contractor access point to this area of the work is along an adjacent City of Irvine bike trail. He said that staff and City of Irvine staff inspected the bike trail and determined that it is in suitable condition and will not require full replacement as originally anticipated, and that the City of Irvine approved modifications resulting in a credit in the amount of <\$44,258.80>.

Mr. Burton said that in October 2015, the jack and bore subcontractor struck an unidentified Metrolink communication conduit while jacking the proposed 24-inch casing beneath Como Channel which damaged the communication line and deflected the casing off alignment. He said that after substantial coordination, a recovery plan was developed and implemented in December 2015 which included converting the receiving pit to a jacking pit and jacking a larger 36-inch casing the remainder of the distance from the opposite direction until it intercepted and overlapped the previously-installed 24-inch casing. He said that the cost for this work includes delay costs associated with determining a suitable recovery solution, coordination with Metrolink and MCI/Verizon, additional mobilization and demobilization efforts for the jack and bore subcontractor, additional dewatering efforts, procurement and advancement of the larger casing, and the construction of the recovery jacking pit for a cost of \$342,095.31.

Director Reinhart said that this item was reviewed and approved by the Engineering and Operations Committee on March 15, 2016. On MOTION by Reinhart, seconded and carried, (3-2) (LaMar, Reinhart, Matheis voting aye and Withers and Swan absent), THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE AGREEMENT FOR DRY WEATHER URBAN RUNOFF DISCHARGE WITH THE ORANGE COUNTY SANITATION DISTRICT SUBJECT TO NON-SUBSTANTIVE CHANGES, AND APPROVED CONTRACT CHANGE ORDER NO. 3 IN THE AMOUNT OF \$210,036.51 WITH E.J. MEYER COMPANY FOR THE PETERS CANYON WASH CHANNEL WATER CAPTURE AND REUSE PIPELINE, PROJECT 4985.

#### REVISED POLICY POSITION PAPER MWDOC RATE STRUCTURE

General Manager Cook reported that the District's policy position papers are reviewed periodically to determine if the positions are still valid, require revisions, or to identify additional papers which may be needed concerning different issues of importance. Mr. Cook said that staff has modified the IRWD policy position paper regarding the Municipal Water District of Orange County (MWDOC) Rate Structure that was last revised and reviewed with the Board in November 2015.

Using a PowerPoint presentation, Executive Director of Water Resources Weghorst reviewed a comparison of the financial impacts of the various options for fixed charges being considered that would be assessed by MWDOC. Director Withers arrived at 5:25 p.m.

Director LaMar said that a related item was reviewed by the Water Resources Policy and Communications Committee on November 5, 2015 and the Board on November 9, 2015. On MOTION by LaMar, seconded and carried, (4-1) (LaMar, Reinhart, Matheis, and Withers voting aye, and Swan absent), THE BOARD APPROVED THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY RATE STRUCTURE POLICY POSITION PAPER, AS AMENDED.

#### GENERAL MANAGER'S REPORT

General Manager Cook reported that the lot line adjustments for the Eaton property the District is purchasing is now complete.

Mr. Cook said that he received good news from ACWA that the Water Transfer Policy had recently been approved by its Board. He acknowledged both Paul Weghorst and Christine Compton for their efforts with these guidelines.

He said that this Friday he would be traveling to Las Vegas to attend a Water Reuse National meeting.

DIRECTORS' COMMENTS

Director LaMar reported on his attendance at a California Environmental Dialogue meeting with one of the topics being atmospheric rivers which he found very interesting, a meeting with Mr. Michael Wellborn and Ms. Krista Slonslowski relative to storm water capture, and an ACWA Board meeting in Sacramento.

Director Withers reported that last week he attended a Concordia Public Affairs Advisory Committee meeting, City of Irvine's Exchange Club for its annual Irvine Police Department awards banquet, and that he will be attending an ISDOC Quarterly meeting on Thursday and a WACO meeting on Friday. He noted a Newport Beach Public Library event on Thursday relative to the water issue at the City of Los Angeles.

Director Reinhart reported on his attendance at MWDOC Board meetings, a South Orange County agencies meeting where they are moving forward with a Letter of Understanding relative to the Settlement agreement which will be expiring in June of 2016.

Director Matheis said that she attended Shadetree Partnership's monthly nursery event on March 19<sup>th</sup> and said that she is very impressed with the efficiency and professional look of the nursery.

IRWD's consultant Jim Reed reported on recent meetings he attended for the District.

ADJOURNMENT

President Matheis adjourned the meeting at 5:55 p.m.

APPROVED and SIGNED this 11th day of April, 2016.

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President, IRVINE RANCH WATER DISTRICT

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Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

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Legal Counsel - Bowie, Arneson, Wiles & Giannone