

MINUTES OF REGULAR MEETING – SEPTEMBER 11, 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 September 11, 2017 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Reinhart, Swan, LaMar, and Withers (arrived at 5:07 p.m.).

Directors Absent: Matheis.

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 Treasury and Risk Management Jacobson, Director of Maintenance Drake, Director of Water Operations Roberts, Director of Water Resources Sanchez, Director of Public Affairs Beeman, Director of Recycling Operations Zepeda, Director of Human Resources Roney, Legal Counsel Smith, Secretary Bonkowski, Assistant Secretary Swan, Asset System Manager Meserlian, Principle Engineer Akiyoshi, Principle Engineer Cortez, Construction Services Manager Moore, Mechanical Services Manager Martin, Public Affairs Manager Fabris, Water Maintenance Supervisor Sanchez, Mr. Frank Tessers, Sr., Mr. Frank Tessers, Jr., and Mr. Bob Denhaan.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

PRESENTATION

RESOLUTION COMMENDING FRANK H. W. TESSERS' SR. SERVICE TO THE DISTRICT

General Manager Cook honored Frank Tessers Sr. for his 34 years of service to the District, and presented him with a plaque. On MOTION by Swan, seconded by Director LaMar and carried (3-0 vote) (Reinhart, LaMar, and Swan voting aye and Withers and Matheis absent), THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2017-23

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT, ORANGE COUNTY,
CALIFORNIA COMMENDING FRANK H.W. TESSERS SR.
FOR HIS DEDICATED AND LOYAL SERVICE TO THE DISTRICT

Director Withers arrived at 5:07 p.m.

CONSENT CALENDAR

On MOTION by Swan, seconded by LaMar and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 7 WERE APPROVED AS FOLLOWS:

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, Douglas Reinhart and John Withers, as described.

5. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the August 28, 2017 Regular Board Meeting be approved as presented.

6. DYER ROAD WELLFIELD WELL NO. 7 AND IRVINE DESALTER PROJECT WELL NO. 107 REHABILITATION FINAL ACCEPTANCE

Recommendation: That the Board accept construction of Dyer Road Wellfield Well No. 7 and Irvine Desalter Project Well No. 107 Rehabilitation, Projects 07093 And 07589; authorize the General Manager to file a Notice of Completion; and authorize the release of retention 35 days after filing of the Notice of Completion.

7. 2017 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: Receive and file.

ACTION CALENDAR

UCI COOLING TOWER RECYCLED WATER CONVERSION PIPELINE PHASE II BUDGET INCREASE AND CONSTRUCTION AWARD

The UCI Cooling Tower Conversion Recycled Water Pipeline Phase II project will construct approximately 3,000 feet of 12- and 16-inch pipe to convert the water supply of the UCI Cooling Tower system from domestic to recycled water, as well as provide recycled water to the planned growth in the University Research Park area. The conversion of the cooling tower is estimated to save up to 50 million gallons of domestic water annually. This pipeline will connect to a 16-inch pipe that runs 200 feet up California Avenue from the intersection with University Drive.

Executive Director of Engineering and Water Quality Burton reported that while grant funding is not included for the project, he is hopeful for partial funding through the Metropolitan Water District of Southern California. Work for the project will be conducted at night, making the school pleased that it will not impact daily operations.

ACTION CALENDAR CONTINUED

Director LaMar reported that while this item was not reviewed by the Engineering and Operations Committee, it has been covered and discussed at great lengths by the Water Resources Policy and Communications Committee. On MOTION by LaMar, seconded by Swan and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$151,000, FROM \$951,500 TO \$1,102,500, FOR PROJECT 07101, AND \$391,600, FROM \$346,500 TO \$738,100, FOR PROJECT 07102; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SULLY MILLER CONTRACTING COMPANY IN THE AMOUNT OF \$1,117,500 FOR THE UCI COOLING TOWER RECYCLED WATER CONVERSION PIPELINE PHASE II, PROJECTS 07101 AND 07102.

OTHER BUSINESS

GENERAL MANAGER'S REPORT

As noted on the agenda, General Manager Cook reported the Notice of Action Taken in Closed Session on August 14, 2017: the Board approved terms included in a draft Purchase & Sale Agreement for the sale of the property identified on Biscayne Bay Drive, Lake Forest, CA, subject to certain conditions, and authorized the District's General Manager to execute the final agreement and other related documents to close the transaction on behalf of the District once those conditions were met. Those conditions having been met, the General Manager has executed the agreement on behalf of the District.

He said the sale of the property was one of two featured in the press in Monday's Orange County Business Journal. Copies of the article were provided at the meeting. Director Withers has been recusing himself regarding the sale of the property due to his business relationship with several of the bidders. General Counsel Alfred Smith said the purchase and sale agreement is now available upon request by the public.

General Manager Cook also reported that The Division of Safety of Dams (DSOD) will be releasing classifications of what it considers to be downstream hazards. The classification is not related to the integrity of the dam, but is intended to reflect the potential hazards that exist below each dam.

The General Manager said that four of the District's five dams are classified: San Joaquin and Sand Canyon are classified as "extremely high", while Rattlesnake and Syphon are classified as "high". The designation for the Santiago Dam (Irvine Lake) has not been seen, but may also be classified as "extremely high" based on the other dams' classifications. General Manager Cook indicated that a link to this information has been made available on the District's Web site, to comply with the DSOD's call for transparency.

He said that he and Vice President Swan attended a meeting last week of the City of Newport Beach's Water Quality/Coastal Tidelands Committee to discuss how IRWD manages its recycled water resources. A general overview was provided of main services provided by the District, and explained that under extreme conditions the concept of discharging recycled water into the San Diego Creek watershed. Misinformation expressed by the group regarding how IRWD's water recycling operations interact with OCSD and OCWD were addressed and clarified. While a conclusion was not expected to be reached at this meeting, a commitment was made to the

GENERAL MANAGER'S REPORT CONTINUED

Committee that a workshop(s) would be conducted in the next month or two to develop a more thorough understanding of the issue. Director Swan added that a formal agreement needs to be made by the City of Newport Beach.

Director Withers left the Board room at 5:21p.m.

IRWD Information Services was unable to execute network upgrades due to technical issues that included the installation of some critical cabling that was delayed by Hurricane Harvey.

General Manager Cook announced that the Peters Canyon Water Channel Water Capture and Reuse Project has been awarded the Environmental Engineering Project of the Year by the Los Angeles Section of the American Society of Civil Engineers (ASCE); the project was recognized by the Orange County Branch of ASCE last spring. The awards ceremony will be held on October 14 in Los Angeles.

The General Manager indicated that he will be traveling to Washington D.C. Tuesday and Wednesday to discuss the Bureau of Reclamation's process for funding Title XVI projects.

DIRECTOR COMMENTS

Director LaMar reported that he attended the OC Forum's Breakfast featuring Gavin Newsom; the 2017 MWDOC Water Policy Forum; a monthly WACO meeting; and the ACWA Regions 3 & 4 Event: California's Headwaters-A Look at How Watersheds are Connected.

Director Swan reported that he attended the OC Forum's Breakfast featuring Gavin Newsom; a monthly WACO meeting; the Newport Chamber of Commerce Meeting; the Newport Beach Water Quality/Coastal Tidelands Committee Meeting with General Manager Cook, and OCWD Board and Committee meetings.

Director Reinhart reported that he met with the General Manager for their Monthly Discussion of District Activities; attended the 2017 MWDOC Water Policy Forum; participated in the South Orange County Agencies Meeting; attended the WACO Meeting; MWDOC Planning and Operations Committee Meeting; MWDOC Workshop with MWD Directors; and the SOCWA Board Meeting.

General Manager Cook reported that IRWD's Consultant, Mr. Bruce Newell is now in Florida providing rescue efforts from Hurricane Irma.

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting at 5:45 p.m.

APPROVED and SIGNED this 25th day of September, 2017.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Alfred Smith, Legal Counsel – Nossaman LLP