

EXHIBIT "A"

MINUTES OF REGULAR MEETING – January 25, 2021

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 January 25, 2021 via teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20 due to COVID-19. Members of the public did not attend this meeting in person.

Directors Present: Withers, Swan, McLaughlin, LaMar and Reinhart.
Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Water Policy Weghorst, Executive Director of Finance and Administration Clary, Director of Treasury and Risk Management Jacobson, Executive Director of Operations Chambers, Director of Water Quality and Regulatory Compliance Colston, Director of Recycling Operations Zepeda, Director of Information Services Malone, Director of Water Resources Sanchez, Director of Maintenance Mykitta, Government Relations Officer/Deputy General Counsel Compton, Secretary Bonkowski, General Counsel Collins, Special Legal Counsel Robinson and Roux, Consultant Gregorio Estrada, and members of staff and the public.

WRITTEN AND ORAL COMMUNICATIONS: None.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

On MOTION by Withers, seconded by LaMar, and unanimously carried by a roll call vote (5-0) Withers, McLaughlin, Swan, LaMar and Reinhart voting aye, and 0 noes, ITEMS 3 THROUGH 9 WERE APPROVED AS FOLLOW:

3. BOARD MEETING MINUTES

Recommendation: That the minutes of the January 11, 2021 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, Karen McLaughlin, Douglas Reinhart, Peer Swan, and John Withers, as described.

5. IRWD STRATEGIC MEASURES

Recommendation: Receive and file.

CONSENT CALENDAR (CONTINUED)

6. DECEMBER 2020 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer’s Investment Summary Report, the Summary of Fixed and Variable Rate Debt, and Disclosure Report of reimbursements to Board members and staff, approve the December 2020 Summary of Payroll ACH payments in the total amount of \$2,214,181, and approve the December 2020 Accounts Payable Disbursement Summary Of Warrants 413651 through 414651, Workers’ Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$17,781,264.

7. 2021 INDEX TENDER NOTES REMARKETING

Recommendation: That the Board approve the 2021 Index Tender Notes Remarketing Statement and adopt the following resolution by title approving the remarketing statement relating to Unscheduled Mandatory Tenders (Refunding Series 2011A-1 and Refunding Series 2011A-2).

RESOLUTION NO. 2021-3

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE IRVINE RANCH WATER DISTRICT APPROVING
THE REMARKETING STATEMENT RELATING TO
UNSCHEDULED MANDATORY TENDERS
(REFUNDING SERIES 2011A-1 AND REFUNDING SERIES 2011A-2)

8. 2021 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board adopt an “OPPOSE” position on AB 59 (Gabriel), a “SEEK AMENDMENTS” position on SB 55 (Stern), and a “SUPPORT IN CONCEPT” position on the legislative concept to allocating a portion of California’s federal COVID-19 relief funding equitably to water districts across the state to assist customers with their outstanding debt.

9. HEATING, VENTILATION AND AIR CONDITIONING MAINTENANCE
THREE-YEAR CONTRACT

Recommendation: That the Board authorize the General Manager to execute a three-year contract with Ram Air Engineering, Inc. for Commercial HVAC services for a total amount of \$685,620.

ACTION CALENDAR

SEWAGE TREATMENT MASTER PLAN UPDATE, BUDGET ADDITION, AND BUDGET INCREASE

Using a PowerPoint presentation, Senior Engineer Moeder said that the purpose of a Sewage Treatment Master Plan (STMP) is to develop a long-term plan for optimizing sewage conveyance and treatment of ultimate sewer flows. Mr. Moeder said that in 2003, IRWD prepared a Wastewater Treatment Master Plan that defined a logical, cost effective program to upgrade and expand IRWD's recycling treatment plants to handle projected sewage flows, meet effluent quality requirements, and satisfy recycled water demands through 2025. Using a chart, he summarized many of the recommendations in that plan including the Michelson Water Recycling Plant (MWRP) Phase 1 and Phase 2 Expansions, the Los Alisos Water Recycling Plant (LAWRP) 2005 Upgrades, and the Harvard Avenue Trunk Sewer Diversion to MWRP.

Mr. Moeder reviewed the progress since the Strategic Planning Workshop held in January 2020 including: 1) considered treatment technology alternatives, 2) shortlisted and evaluated treatment alternative for MWRP and LAWRP, 3) developed and refined design criteria for system-wide and facility-specific improvements, 4) and developed an implementation plan.

Mr. Moeder said that the 2020 STMP is now complete and provides a framework for handling future ultimate sewage flows which is structured in a manner that identifies an overall strategy organized into near-term and long-term recommendations. It is also structured such that various near-term improvements can be implemented now without committing IRWD to completion of the identified long-term recommendations. This approach provides IRWD with the flexibility of proceeding with initial projects while continuing to monitor changing conditions that will then be considered in future evaluations and decisions regarding implementation of the long-term recommendations. He said that the near-term improvements include: 1) replacing the lagoon treatment system at LAWRP with a modernized treatment process, 2) expanding the capacity of the membrane bioreactors (MBR) and implementing improvements to the existing conventional activated sludge treatment processes at MWRP to accommodate projected increases in sewer loading concentrations, and 3) constructing a new gravity sewer diversion from the MWRP tributary sewershed to the LAWRP tributary sewershed to deliver additional sewer flows to LAWRP for treatment.

HDR Consultant Mr. Gregorio Estrada provided an overview of these proposed improvements at MWRP and LAWRP and discussed an implementation plan, future considerations, and next steps for sewage treatment alternatives. Following discussion, Director Swan asked that each project be "flagged" and was satisfied with moving forward with additional planning studies for the two projects. He further made suggestions for an additional Board meeting to review the STMP assumptions and that staff should discuss future potable reuse concepts with the Baker Partners.

Director Withers said that item was reviewed by the Engineering and Operations Committee on January 19, 2021. There being no further comments, On MOTION by Withers, seconded by McLaughlin, and unanimously carried by a roll call vote (5-0) Withers, McLaughlin, Swan, LaMar and Reinhart voting aye, and 0 noes, THE BOARD AUTHORIZED THE ADDITION OF THE MWRP TRIBUTARY GRAVITY DIVERSION, PROJECT 11832, IN THE AMOUNT OF \$2,942,000 TO THE FY 2020-21 CAPITAL BUDGET, AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$193,130,250, FROM \$20,975,000 TO \$214,105,250, FOR

THE LAWRP TREATMENT MODERNIZATION, PROJECT 01477, THAT PROJECTS 11832 AND 01477 BE CATEGORIZED AS *FLAGGED* PROJECTS IN THE CAPITAL BUDGET, AND THAT EXPENDITURE AUTHORIZATIONS BE APPROVED FOR PLANNING STUDIES IN THE AMOUNT OF \$125,000 FOR PROJECT 11832 AND \$150,000 FOR PROJECT 01477 AS AMENDED.

RECESS AND RECONVENE

At 7:25 p.m., President Reinhart recessed the meeting, and following the recess, at 7:30 p.m., the meeting was reconvened with Directors Swan, Withers, McLaughlin, LaMar and Reinhart present.

OPERATIONS CENTER COMPRESSED NATURAL GAS, DIESEL, AND GASOLINE FUELING FACILITY BUDGET INCREASE AND CONSULTANT SELECTION

Executive Director of Technical Services Burton reported that IRWD's Fleet Services Facility maintains a fleet of approximately 300 vehicles fueled by either diesel, gasoline, or Compressed Natural Gas (CNG). A diesel and gasoline fuel island is located at the Michelson Water Recycling Plant in the parking lot adjacent to the Fleet Services Facility. Currently, the District's CNG vehicles are fueled at the City of Irvine's facility or the City of Santa Ana's facility. He said that this project will install a new CNG Fueling Facility to fuel 11 sewer jetter trucks, vactor trucks, hydraulic excavators, tractor, and boom crane.

Mr. Burton said that the existing diesel and gasoline fleet fueling systems are approaching the end of useful life and require replacement. The systems consist of a 15,000-gallon underground gasoline storage tank, a 12,000-gallon underground diesel storage tank, fuel dispensers, transition sumps, and piping. He said that this project will replace the existing storage tanks with above ground storage tanks located on the hillside area northeast of the Michelson Operations Center Access Road as well as replace the existing fuel dispensers and associated piping and equipment at the fuel island.

Mr. Burton said that the District is in the process of increasing emergency fuel storage capacity throughout IRWD's service area to account for three days of emergency fuel use for generators. The Michelson Operations Center has nine stationary generators and 11 portable generators. The last component of this project is the installation of an additional above ground diesel storage tank to supply the three days of emergency diesel fuel.

Mr. Burton said that staff issued a request for proposal for the design to three consultants: AECOM, HDR, and Stantec. HDR declined to submit a proposal citing staff availability. AECOM and Stantec submitted proposals on December 21, 2020. He said that staff evaluated the proposals based on the consultants' project approach, project team and relevant experience and recommends the selection of AECOM. In response to Director Swan's comments relative to visibility of the proposed facility near the District's Tree Hill site, Mr. Burton said that if it is visible, the area can be screened with trees. He further said that staff will prepare preliminary drawings and rendering for him to review.

Director Withers reported that this item was reviewed by the Engineering and Operations Committee on January 19, 2021. There being no further comments, On MOTION by Director Withers, seconded by McLaughlin, and unanimously carried by a roll call vote (5-0) Withers, McLaughlin, Swan, LaMar and Reinhart voting aye, and 0 noes, THE BOARD AUTHORIZED

A BUDGET INCREASE IN THE AMOUNT OF \$1,882,000, FROM \$748,000 TO \$2,630,000, FOR PROJECT 07881 AND IN THE AMOUNT OF \$4,509,000, FROM \$748,000 TO \$5,257,000, FOR PROJECT 07882, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH AECOM IN THE AMOUNT OF \$701,560 FOR ENGINEERING DESIGN SERVICES FOR THE OPERATIONS CENTER COMPRESSED NATURAL GAS, DIESEL, AND GASOLINE FUELING FACILITY, PROJECTS 07881 AND 07882.

GENERAL MANAGER'S REPORT

General Manager Cook reported that due to legislation, staff is now in the regulatory mode with COVID-19 notifications to employees. Mr. Cook said that because of the numbers, MWRP is now classified as an outbreak facility, which is based on the numbers only, as there are no known cases of COVID-19 being contracted at that location. He said that the District began testing at no charge to the employees and was happy to report that all tests conducted so far have come back negative.

Mr. Cook said that as a follow-up from the last Board meeting, the District remains status quo at \$1.6 million outstanding for customer billing.

Mr. Cook reported that Mr. Eric Averett, the General Manager of the Rosedale-Rio Bravo Storage District, will be leaving Rosedale to work at a consulting firm in 45 days but will also be available for questions for an additional 45 days.

Mr. Cook reported that the District will be receiving \$1.93 million in incentives as a result of the Self-Generation Incentive Program implementation with Southern California Edison for the MWRP Biosolids and Energy Recovery project, and thanked staff for their efforts.

Mr. Cook additionally asked that the Board meeting be adjourned in memory of Mr. Mark Butier, Sr.

COMMUNITY UPDATE

Mr. Bruce Newell reported on the Williams and Silverado Canyon status due to the recent fires and rain events, and that the area is categorized as hazardous.

DIRECTORS' COMMENTS

Director Swan reported on his attendance at OCWD and MWDOC meetings, an ACWA Conveyance Forum, an OCBC Committee meeting, a WACO meeting, and Newport Chamber of Commerce meetings. In response to his inquiry, Mr. Jose Zepeda provided him with an update of the microturbines at the MWRP Biosolids facility.

Director LaMar reported on his attendance at several ACWA meetings, and an OCBC Infrastructure Committee meeting. He said that this Wednesday he will be attending an NCC Executive Committee meeting and will also be attending an ACWA Board workshop this week.

DIRECTOR' COMMENTS (CONTINUED)

Director McLaughlin reported on her attendance at an OCWA webinar and an OC Economic update for Public Leaders.

Director Withers reported on his attendance at an OCBC Infrastructure Committee meeting, an OCWD webinar, an OC Economic update, an ISDOC quarterly meeting, and a meeting with the Mr. Ryan Gallager, the City of Tustin's newly-elected council member. He further said that he will be attending a CASA conference on the January 27-28 along with Director Swan as well as an NWRI meeting next week.

Director Reinhart reported on his attendance at an OCWD Board meeting, a MWDOC meeting, a MWDOC Executive Committee meeting, and a South County Committee meeting.

CLOSED SESSION

Legal Counsel Collins said that the following Closed Sessions would be held:

- 1) CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION — Pursuant to Government Code Section 54956.9(d)(1): *Filanc-Balfour Beatty, JV v. IRWD*, Case No. 30-2019-01048770-CU-BC-CXC
- 2) CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): (1 case)

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors McLaughlin, Swan, Reinhart, LaMar and Withers present. No action was reported.

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting in memory of Mr. Mark Butier Sr. at 9:30 p.m.

APPROVED and SIGNED this 8th day of February 2021.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP