

MINUTES OF REGULAR MEETING – JANUARY 27, 2020

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:02 p.m. by President Matheis on January 27, 2020 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: General Manager Cook, Executive of Technical Services Burton, Executive Director of Finance and Administration Clary, Executive Director of Water Policy Weghorst, Executive Director of Operations Chambers, Director of Water Resources Sanchez, Director of Water Recycling Operations Zepeda, Director of Water Operations Roberts, Director of Maintenance Operations Mykitta, Director of Public Affairs Beeman, Director of Human Resources Roney, Director of Water Quality and Regulatory Compliance Colston, Manager of Strategic Planning and Analysis Smithson, Operations Manager Pfister, Public Affairs Manager Fabris, Engineering Manager Cortez, Engineering Manager Mori, Engineering Manager Akiyoshi, Senior Engineer Moeder, Treasury Analyst Davis, District Liaison Newell, Legal Counsel Collins, Assistant Secretary Swan, and members of the public.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

Director Reinhart asked that item No. 7, DYER ROAD WELLFIELD SURGE TANKS CONTACT CHANGE ORDER AND FINAL ACCEPTANCE be moved to the Action Calendar. There being no objection, this item was moved accordingly. On MOTION by Withers, seconded by Swan, and unanimously carried (LaMar, Withers, Swan, Reinhart, and Matheis voting aye), CONSENT CALENDAR ITEMS 3 THROUGH 6 AND 8 WERE APPROVED AS FOLLOWS:

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

Recommendation: That the Board ratify/approve the meetings and events for Mary Aileen Matheis, Douglas Reinhart, Peer Swan, Steven LaMar, and John Withers, as described.

4. MINUTES OF BOARD MEETINGS

Recommendation: That the minutes of the January 13, 2020 Regular Board meeting and the January 17, 2020 Adjourned Regular Board meeting be approved as presented.

CONSENT CALENDAR (CONTINUED)

5. DECEMBER 2019 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 2019 Summary of Payroll ACH payments in the total amount of \$2,112,770; and approve the December 2019 Accounts Payable Disbursement Summary of warrants 404225 through 405004, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$16,810,385.

6. IRWD STRATEGIC MEASURES

Recommendation: Receive and file.

8. 2020 INDEX TENDER NOTES REMARKETING

Recommendation: That the Board approve the 2020 Index Tender Notes Remarketing Statement and adopt the following resolution by title:

RESOLUTION NO. 2020-5

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)

ACTION CALENDAR

DYER ROAD WELLFIELD SURGE TANKS CONTRACT CHANGE ORDER AND FINAL ACCEPTANCE

Director Reinhart stated that while he was in favor of approving this item, he asked that the record reflect that it was disconcerting that the City of Santa Ana required 30 weeks to issue an encroachment permit to repair the conduit, delaying the project for nine months. On MOTION by Reinhart, seconded by Swan, and unanimously carried (LaMar, Withers, Swan, Reinhart, and Matheis voting aye), THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE CONTRACT CHANGE ORDER NO. 17 IN THE AMOUNT OF \$165,673.49 WITH PASCAL & LUDWIG CONSTRUCTORS, ACCEPTED CONSTRUCTION OF THE DYER ROAD WELLFIELD SURGE TANKS, PROJECTS 05473 AND 06165, AUTHORIZED THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION, AND AUTHORIZED THE PAYMENT OF THE RETENTION 35 DAYS AFTER THE DATE OF RECORDING THE NOTICE OF COMPLETION.

ACTION CALENDAR (CONTINUED)

SANTIAGO RESERVOIR PROJECT UPDATE AND INTERIM LAKE LEVEL OPERATIONS PLAN

Prior to turning the floor over to Senior Engineer Moeder, General Manager Cook summarized the overview of the presentation. He emphasized that he wanted there to be an understanding of what is being asked in the coming months and years with the purpose statement; go over the Tower Replacement Preliminary Design Report and Spillway Assessment—both technical reports that we have received results from; and go through the Lake Level Evaluation and the Interim Operation Plan and next steps. The General Manager stated that prior to finalizing an Interim Operation Plan for Irvine Lake, he would like the Board's input before submitting the plan to the Division of Safety of Dams (DSOD) regarding the targeting the maximum water surface elevations to reduce the potential use of Irvine Lake's spillway until major spillway and outlet tower improvements are complete.

Using a PowerPoint presentation, Senior Engineer Moeder outlined an update on the outlet tower replacement and spillway assessment at the Santiago Reservoir (also known as Irvine Lake). AECOM completed the Tower Replacement Preliminary Design Report in February 2019; and it was reviewed and returned by the DSOD with comments in November 2019. Staff anticipates responding to the DSOD's comments in February 2020. Mr. Moeder explained that the spillway assessment identified that the existing spillway is nearing the end of its useful life and should be replaced within the next 10 years. He outlined the spillway capacity; historic spillway usage and flow rates; presented information regarding the Santiago Reservoir Watershed from precipitation data to probability analysis of spillway flows based on recurrence intervals. He further presented options for lowering the levels at Irvine Lake; seasonal interim operation plans; the potential response time for lake lowering; the cost impacts; and next steps to submit and implement an Interim Operation Plan and submit the plan to the DSOD.

Following discussion with the Board and staff, Director Swan made a MOTION, seconded by Withers, and unanimously carried (LaMar, Withers, Swan, Reinhart, and Matheis voting aye), **THE BOARD ACCEPTED AND APPROVED THE REPORT IN CONCEPT, AND THAT THE REPORT WILL BE FURTHER REVIEWED BY COMMITTEE WITH SUBSTANTIAL CHANGES, IF ANY, TO BE RESUBMITTED TO THE BOARD FOR FURTHER REVIEW.**

GENERAL MANAGER'S REPORT

General Manager Cook reported on the increased activity of cyber-attacks and phishing emails to the District within the past week. The Information Systems Department has held some very successful information training sessions for staff in learning to identify and avoid these potential threats. He indicated that it would be appropriate for the Board members to receive a similar opportunity for this training in the near future, as schedules allow.

OTHER BUSINESS (CONTINUED)

DIRECTORS' COMMENTS

Director LaMar reported on his attendance at the ACWA President and Vice President orientation and ACWA Strategic Planning.

Director Withers reported on his participation at the OCSD Board meeting and his attendance at the quarterly Southern California Water Coalition's meeting and luncheon in Ontario. He also commented that he will be participating in the VerdeXchange Conference in Los Angeles.

Director Swan reported on his trip to hear Leon Panetta at the Public Policy Institute of California in Sacramento; he also attended the MWDOC Board meeting, the OCWA Monthly Industry Insight meeting and luncheon, the WACO Planning Committee, and the California Association of Sanitation Agencies winter conference.

Director Reinhart reported on his attendance at the OCWD Water Issues Committee, and the quarterly Southern California Water Coalition's meeting and luncheon.

President Matheis reported on her attendance at the OC Forum's State of the County featuring Supervisor Lisa Bartlett; the quarterly Southern California Water Coalition's meeting and luncheon; and was able to witness Supervisor Wagner designate his appointees to various committees and commissions.

COMMUNITY UPDATES: None.

CLOSED SESSION

Legal Counsel Collins said that a Closed Session would be held this evening as follows:

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Pursuant to Government Code Section 54956.9 (d)(4): initiation of litigation. *(One (1) potential case).*

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors Matheis, Reinhart, Swan, Withers and LaMar present. Legal Counsel Collins reported that pursuant to Gov. C. Section 54957.1, the Board of Directors unanimously voted to initiate a legal action subject to certain conditions. The particulars of the case will be disclosed to any person upon inquiry once the action has been formally commenced unless doing so would jeopardize IRWD's ability to effectuate service of process or jeopardize IRWD's ability to conduct any settlement negotiations.

OTHER BUSINESS (CONTINUED)

ADJOURNMENT

There being no further business, President Matheis adjourned the meeting at 6:37 p.m.

APPROVED and SIGNED this 10th day of February, 2020.

Signed minutes on file with the District Secretary

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, Legal Counsel
Hanson Bridgett LLP