

MINUTES OF REGULAR MEETING – OCTOBER 9, 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 Acting President Matheis on October 9, 2017 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: LaMar, Matheis, and Withers

Directors Absent: Swan and Reinhart

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, Public Affairs Manager Fabris, Executive Director of Operations Sheilds, Director of Human Resources Roney, Director of Treasury and Risk Manager Jacobson, Director of Water Operations Zepeda, Legal Counsel Smith, Secretary Bonkowski, Assistant Secretary Swan and Principle Engineer Cortez.

WRITTEN AND ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

On MOTION by Withers, seconded and unanimously carried, CONSENT CALENDAR ITEMS 3 THROUGH 5 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 Steven LaMar, Mary Aileen Matheis, Peer Swan, Douglas Reinhart and John Withers, as described.

4. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the September 25, 2017 Regular Board Meeting be approved as presented.

5. 2017 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: Receive and file.

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CONTRACT CHANGE ORDER NO. 62 AND RETENTION BOND

General Manager Cook reported that Filanc/Balfour-Beatty (FBB) is constructing the Michelson Water Recycling Plant (MWRP) Biosolids and Energy Recovery Facilities (Biosolids Project). Mr. Cook said that Contract Change Order (CCO) No. 62 includes costs for several electrical and controls items and that staff has negotiated a Retention Bond agreement to assist FBB with cash flow at this stage in the project.

Executive Director of Engineering and Water Quality Burton reported that staff negotiated with FBB and agrees with the labor and material costs contained in this change order as follows: 1) fats, oil, and grease modifications in the amount of \$52,174.90; 2) density meter conduit and cabling modifications in the amount of \$52,518.11; 3) fiber optic modifications in the amount of \$20,607.14; 4) sludge screen pneumatic control panel conduit and cabling in the amount of \$8,859.95; 5) additional circuits for control of the thickening centrifuges in the amount of \$376,674.08; 6) power panel pp-8001 circuit breakers in the amount of \$50,135.26; 7) electrical power feeders to electric water heaters in the amount of \$16,551.27; 8) chemical sump pump control panel space heater wiring modifications in the amount of \$12,822.26; 9) relocate electrical feeders to generator bus in the amount of \$22,785.74; 10) electrical and instrumentation-related components for the installation of thin client at dryer facility pellet load-out in the amount of \$49,908.43; 11) polymer room eye wash station flow switches in the amount of \$24,567.89; 12) chemical storage and feed modifications in the amount of \$13,055.18; and 13) PLC redundancy hot standby status register in the amount of \$7,502.51.

Mr. Burton said that the second item relates to retention, and that FBB proposed providing a bond for a portion of the remaining contract retention allowing the release of funds from the escrow account providing the District with an alternate means of security. The Retention Bond Agreement would be for \$6,000,000 or 3.34% of the contract amount and the District will still hold \$1,828,735 in cash in the escrow account, or 1.02% of the contract amount.

Director LaMar said that this item was reviewed by the Engineering and Operations Committee on September 13, 2017. On MOTION by LaMar, seconded and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 62 IN THE AMOUNT OF \$708,162.72 WITH FILANC/BALFOUR BEATTY FOR ELECTRICAL AND CONTROLS MODIFICATIONS, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE RETENTION BOND AGREEMENT FOR THE MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 04286.

2017 SEWER REHABILITATION CONSTRUCTION AWARD

Executive Director of Engineering and Water Quality Burton reported that staff routinely inspects sewer pipelines using remote-controlled camera equipment, documents all discovered issues and performs most sewer repairs. Mr. Burton said that this project will rehabilitate approximately 3,500 feet of gravity sewer pipeline between eight and 15 inches in diameter at 11 locations including four in Irvine, six in Lake Forest and one in Newport Coast. The sewers will be rehabilitated with cured-in-place pipe lining, requiring the contractor to set up traffic control and install sewer bypass systems to perform the work.

Mr. Burton said that the project was advertised to a select list of six contractors with bids received from two contractors, Insituform and Sancon. He said that Insituform is the apparent low bidder with a bid of \$238,300. The engineer's estimate is \$221,150. He further said that Insituform has performed well on previous District projects including the Lake Forest Woods Sewer Rehabilitation project and the Main and Gillette Sewer Rehabilitation project. On MOTION by LaMar, seconded and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$126,000, FROM \$322,000 TO \$448,000, FOR PROJECT 07100, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH INSITUFORM IN THE AMOUNT OF \$238,300 FOR THE 2017 SEWER REHABILITATION, PROJECT 07100.

GENERAL MANAGER'S REPORT

General Manager Cook updated the Board on the Canyon Fire 2 located at the 91 freeway and 241 toll road with evacuations in Anaheim Hills and Orange Park Acres. He noted that the District's reservoirs had been filled. and that Mr. Bryan Clinton was staged at the emergency operations center.

Mr. Cook reported that staff initiated a process to implement an energy efficient upgrade to the District's MWRP membrane bioreactor and that staff received notification today from SCE of an incentive approval of \$140,000 through the LEAPmbr Aeration Conversion project.

Mr. Cook said that he will be making a presentation to LAFCO this week relative to the District's successful consolidation with Lake Forest in 2000.

DIRECTORS' COMMENTS

Directors Withers reported that he and Director Matheis attended an ISDOC Executive Committee meeting noting that the largest districts will be paying more fees in the future, a Live Nation Amphitheater event last Thursday at the Great Park, and an OCSD Legislative and Public Affairs Committee meeting. He said that this Wednesday he will be attending a LAFCO meeting and on Friday, a WACO meeting.

Director Matheis reported on her attendance at a 2017 Colorado River Symposium in Santa Fe, New Mexico. She further commented on reading the recent Hoover Commission's Executive Summary and LAFCO report.

Director LaMar reported on his attendance at an ACWA Federal Affairs meeting, an ACWA two-day budget workshop in Sacramento, a MWDOC Workshop with MWD Directors, and an ACWA Regions 9 and 10 event in Corona with Director Matheis.

ADJOURNMENT

There being no further business, Acting President Matheis adjourned the meeting at 5:32 p.m.

APPROVED and SIGNED this 23rd day of October, 2017.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Alfred Smith, Legal Counsel – Nossaman LLP