

MINUTES OF REGULAR MEETING – SEPTEMBER 27, 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 September 27, 2021 in person at the District's headquarters located at 15600 Sand Canyon Avenue, Irvine, California and via teleconference pursuant to the provisions of the Governor's Executive Order N-08-21 due to COVID-19.

Directors Present: LaMar, Withers, Swan, McLaughlin, and Reinhart

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Director of Treasury and Risk Management Jacobson, Executive Director of Water Policy Weghorst, 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, Director of Human Resources Mitcham, Director of Strategic Communications and Advocacy/Deputy General Counsel Compton, Secretary Bonkowski, General Counsel Collins, and other staff.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

Director McLaughlin requested that Item No. 10 be moved to the Action Calendar for discussion. There being no objection, this item was moved accordingly. There being no further comments, on MOTION by Withers, seconded by Swan and unanimously carried, CONSENT CALENDAR ITEMS 4 through 9 and 11 through 13 WERE APPROVED UNANIMOUSLY AS FOLLOWS:

4. BOARD MEETING MINUTES

Recommendation: That the minutes of the September 13, 2021, Regular Board meeting be approved as presented.

5. 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, John Withers and Peer Swan as described.

CONSENT CALENDAR (CONTINUED)

6. AUGUST 2021 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 August 2021 Summary of Payroll ACH payments in the total amount of \$2,216,023, and approve the August 2021 accounts payable Disbursement Summary of warrants 420280 through 420950, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$20,643,668.

7. RATTLESNAKE RESERVOIR VALVE ACTUATOR AND VALVE STEM REPLACEMENTS BID REJECTION

Recommendation: That the Board reject the bid received for the Rattlesnake Reservoir Valve Actuator and Valve Stem Replacements, Project 11566, and authorize staff to revise the bid documents and request bids for the replacement of the two currently non-functioning valve actuators.

8. MICHELSON WATER RECYCLING PLANT PRIMARY CLARIFIERS 1-5 COVERS REPLACEMENT FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Michelson Water Recycling Plant Primary Clarifiers 1-5 Covers Replacement, Project 11599, authorize the General Manager to file a Notice of Completion, and authorize the payment of the retention 35 days after the date of recording the Notice of Completion.

9. ADDENDUM NO. 1 TO THE INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR ORANGE PARK ACRES WELL REPLACEMENT PROJECT

Recommendation: That the Board approve the proposed Addendum No. 1 to the Orange Park Acres Well Replacement Project Mitigated Negative Declaration, including the Determinations set forth in Addendum No. 1, approve the proposed project modifications and authorize staff to post and file a Notice of Determination.

11. ADOPTION OF REVISED IRWD SCHEDULE OF POSITIONS AND SALARY RATE RANGES

Recommendation: That the Board adopt the following resolution by title rescinding Resolution No. 2021-18 and adopting a revised Schedule of Positions and Salary Rate Ranges.

RESOLUTION NO. 2021 -21

RESOLUTION OF THE BOARD OF DIRECTORS OF THE IRVINE RANCH WATER DISTRICT RESCINDING RESOLUTION NO. 2021-18 AND ADOPTING A REVISED SCHEDULE OF POSITIONS AND SALARY RATE RANGES

CONSENT CALENDAR (CONTINUED)

12. SEWER SIPHON IMPROVEMENTS BUDGET INCREASE AND CONTRACT CHANGE ORDER

Recommendation: That the Board authorize a budget increase for Project 07886 in the amount of \$800,000, from \$9,746,000 to \$10,546,000, and authorize the General Manager to execute Contract Change Order No. 3 in the amount of \$513,924.26 to Vido Artukovich & Son, Inc. for the Sewer Siphon Improvements, Project 07886.

13. ORANGE COUNTY OPERATIONAL AREA AGREEMENT

Recommendation: That the Board authorize the General Manager to execute the Orange County Operational Area Agreement and any subsequent updates.

ACTION CALENDAR

10. VERIFICATION OF SUFFICIENT WATER SUPPLIES FOR CITY OF IRVINE PLANNING AREA 1 ORCHARD HILLS NEIGHBORHOOD 4

In response to Director McLaughlin's inquiry, General Manager Cook said that water supplies this area has been confirmed and available for this development. There being no further discussion, on MOTION by Swan, seconded by LaMar, THE BOARD UNANIMOUSLY APPROVED THE VERIFICATION OF SUFFICIENT WATER SUPPLIES FOR PLANNING AREA 1 ORCHARD HILLS NEIGHBORHOOD 4 (VESTING TENTATIVE TRACT MAP 19020).

STATEWIDE DROUGHT AND LEVEL TWO WATER SHORTAGE DECLARATION

Using a PowerPoint presentation, Director of Strategic Communications and Advocacy/Deputy General Counsel Compton reported that due to severe drought conditions, Governor Newsom has declared regional states of emergency in 50 of the 58 counties in California and issued Executive Order N-10-21 on July 8, 2021. Ms. Compton said that the order calls upon all Californians to voluntarily reduce water use by 15% from 2020 levels for the purpose of preserving available water supplies and reserves. She said that IRWD's Water Shortage Contingency Plan (WSCP) defines a 15% reduction as a Level Two Shortage (defined as a Significant Shortage Condition), which includes a number of response actions designed to achieve voluntary demand reductions. She said that IRWD has sufficient supplies to meet all the projected demands despite the drought.

Executive Director of Water Policy Weghorst reported on supply shortage response actions considered including: 1) expanding the residential survey program, large landscape survey program, outdoor education programs and workshops, and establishing water waste reporting hotline; 2) reviewing water budgets and potential adjustments to target discretionary outdoor uses for residential and landscape customers; 3) discouraging filling of fountains, pools, and water features and other discretionary uses; and 4) conducting evaluation on operational measures to reduce potable water use and expand the authorized use of recycled water. Mr. Weghorst further reviewed the measures already in place and Level One Measures, along with additional recommended Level Two measures.

Following discussion with the Board and staff, on MOTION by LaMar, seconded by Withers, THE BOARD UNANIMOUSLY ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2021-22

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY,  
CALIFORNIA, DECLARING WATER SHORTAGE LEVEL TWO  
(SIGNIFICANT SHORTAGE CONDITION).

CONSULTANT SELECTION TO UPDATE THE IRWD ENERGY AND GREENHOUSE  
GAS MASTER PLAN

Director Withers reported that this item was reviewed by the Engineering and Operations Committee on September 22, 2021, and it was clear based on its scope of work that NV5 Global, Inc. was the preferred firm to perform the update with its demonstrated ability and deep knowledge of the solar, battery storage and microgrid markets as well as its significant experience in distributed energy generation projects in California. On MOTION by Withers, seconded by McLaughlin, THE BOARD UNANIMOUSLY AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH NV5 GLOBAL, INC. IN THE AMOUNT OF \$307,995 TO PREPARE AN UPDATE TO IRWD'S ENERGY AND GREENHOUSE GAS MASTER PLAN.

THIRD AMENDED AGREEMENT BETWEEN IRWD AND CITY OF ORANGE TO  
FACILITATE PFAS REMOVAL FROM GROUNDWATER

Executive Director of Water Policy Weghorst reported that IRWD and the City entered into an agreement dated November 5, 1984, entitled "Water Supply and Service Agreement," for the purpose of creating a joint water supply arrangement for areas within the City's sphere of influence. The November 1984 agreement was superseded in its entirety in November 1994 through a First Amended Agreement which modified the joint water supply arrangements and incorporated arrangements concerning sewer and non-potable water service. The First Amended Agreement was amended and superseded in its entirety in August 2006 by a Second Amended Agreement. To facilitate the mutual interests of IRWD, the City, and OCWD of treating groundwater to remove PFAS contamination from the Basin, staff and IRWD's legal counsel have worked with the City and its legal counsel to prepare the Third Amended Agreement for Water Supply and Service, Sewer and Reclaimed Water Supply and Service and Natural Treatment System Service.

Mr. Weghorst said that the revisions incorporated into the Third Amended Agreement include the following: 1) acknowledgement that pumping of the wells with PFAS treatment will have a less-than-significant impact, 2) assurances that the parties will not challenge any aspect of the other party's respective well and treatment projects or related CEQA documents, 3) provisions to ensure that pumping of the wells and PFAS treatment can occur uninterrupted, 4) IRWD will pay to make certain feasible improvements at the City's Well No. 23, and 5) if the improvements at the City's Well No. 23 are determined not to be feasible, then pumping from IRWD's OPA Well-1 and the City's Well 23 would be reduced incrementally at the same rate; and 6) IRWD's additional pumping at Well OPA-1 could be used to serve water outside the sphere of influence of the City of Orange and inside IRWD's service area.

Director Withers said that this item was reviewed by the Engineering and Operations Committee on September 22, 2021. On MOTION by Withers, seconded by McLaughlin, THE BOARD UNANIMOUSLY AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE THIRD AMENDED AGREEMENT FOR WATER SUPPLY AND SERVICE, SEWER AND RECLAIMED WATER SUPPLY AND SERVICE, AND NATURAL TREATMENT SYSTEM SERVICE BETWEEN IRWD AND THE CITY OF ORANGE, SUBJECT TO NON-SUBSTANTIVE CHANGES.

#### GENERAL MANAGER'S REPORT

General Manager Cook reported that there was one COVID case reported last week at the District.

Mr. Cook reported that approximately 4,000 customers have overdue balances with a current outstanding debt of \$2.7 million.

Mr. Cook said that last week during OCWA's pipe tapping contest, the District had two teams who participated, and both did well. Mr. Cook said that during the event, the District received a plaque from Cla-Val in appreciation of its valued partnership.

Mr. Cook further said that SB 323 was signed by the Governor.

#### DIRECTORS' COMMENTS

Director LaMar reported on his attendance at an ACWA webinar, an ACWA Region 8 event with Director McLaughlin, a coastal meeting with the OC Fire Department in attendance, an ACWA Executive Committee meeting, and an ACWA Board of Directors Board meeting.

Director McLaughlin reported on her attendance at an ACWA Region 8 event.

Director Swan reported on his attendance at a WACO Planning meeting, a Newport Bay Watershed Executive Committee meeting, a Southern California Dialogue meeting, MWDOC meetings, and an OCBC meeting.

Director Withers said he attended a California WateReuse conference in Los Angeles, and his regular meetings listed.

Director Reinhart reported on his attendance at an OCWD Board meeting, a California WateReuse conference, and a South Orange County Agencies Joint Meeting.

#### ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting at 6:02 p.m.

APPROVED and SIGNED this 11th day of October 2021.

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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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Claire Hervey Collins, General Counsel  
Hanson Bridgett LLP