

EXHIBIT "A"

MINUTES OF REGULAR MEETING –AUGUST 22, 2022

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 LaMar on August 22, 2022 at the District offices, 15600 Sand Canyon Avenue, Irvine.

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

Directors Absent: None.

Written and Oral Communications: None.

Also Present: General Manager Cook, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Executive Director of Technical Services Burton, Executive Director of Water Policy Weghorst, Director of Treasury and Risk Management Jacobson, Director of Strategic Communications and Advocacy / Deputy General Counsel Compton, Director of Recycling Operations Zepeda, Director of Water Quality and Regulatory Compliance Colston, Director of Water Resources Sanchez, Director of Human Resources Mitcham, Director of Maintenance Manning, Director of Safety and Security Choi, Director of Information Services Kaneshiro, Secretary Bonkowski, Assistant Secretary Swan, General Counsel Beck, and members of the staff and public.

CONSENT CALENDAR

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

4. BOARD MEETING MINUTES

Recommendation: That the minutes of the August 8, 2022 Regular Board meeting be approved as presented.

5. JULY 2022 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 July 2022 summary of payroll ACH payments in the total amount of \$3,359,563, and approve the July 2022 accounts payable disbursement summary of warrants 428809 through 429430, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$41,566,346.

6. CONDITION ASSESSMENT FOR STEEL TANKS CONSULTANT SELECTION

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with V & A Consulting Engineers in the amount of \$278,119 for the Condition Assessment for Steel Tanks, Projects 12252 and 12254.

CONSENT CALENDAR (Continued)

7. RENEWAL OF GROUP MEDICAL, DENTAL, VISION AND ANCILLARY PLAN SERVICES FOR CALENDAR YEAR 2023

Recommendation: That the Board authorize the continuation of IRWD's health insurance coverage with CalPERS with changes in District and employee contribution rates as outlined in Exhibit "A"; authorize the discontinuation of the District's dental insurance coverage with ACWA/JPIA and change to DeltaDirect with a 11.2% increase in premium rates; authorize the continuation of the District's vision insurance coverage with EyeMed with a 0.8% increase in premium rates; authorize the discontinuation of voluntary Delta Dental and EyeMed buy-up plans for employee purchase; authorize the renewal of the District's Employee Assistance Program with REACH; authorize the Term Life, Accidental Death and Dismemberment, Long-term Disability and Employee Assistance Program coverage with Reliance Standard; and authorize the continuation of the Flexible Spending Account, Health Reimbursement Arrangement, COBRA and Commuter Benefits with administrator Chard Snyder.

ACTION CALENDAR

IRWD TRUST FUND GUIDING PRINCIPLES AND USE STRATEGIES

Using a PowerPoint presentation, Manager of Strategic Planning and Analysis Smithson presented updated principles to guide IRWD's approach to determine the eventual transfer of funds from the IRWD Retirement Trust to CalPERS. Mr. Smithson reviewed the purpose of the guiding principles, reviewed the present modified guiding principles, summarized allowable uses of funds from the 115 Trust, detailed steps for implementing guiding principles and revisited the proposed guiding principles.

Director Swan reported that this item was reviewed by the Finance and Personnel Committee and he concurs with the staff's recommendation. On MOTION by Swan, seconded by Withers and unanimously carried, THE BOARD APPROVED THE IRWD 115 PENSION TRUST FUND GUIDING PRINCIPLES AND APPROVED NO TRANSFER OF FUNDS FROM THE IRWD 115 PENSION TRUST FUND TO CALPERS FOR FISCAL YEAR 2022-23.

SAN JOAQUIN RESERVOIR FILTRATION BUDGET INCREASE, CONSULTANT SELECTION, AND CONSTRUCTION AWARD

Executive Director of Technical Services Burton reported that algal growth in the San Joaquin Reservoir has become an issue during the summer as the water temperature rises, and algae and other debris can draft out of the reservoir. Mr. Burton said that there is no filtration system for to remove algae from water drafting out of the reservoir into the recycled water system, and recycled water users in the area have reported clogged sprinklers, irrigation equipment, and filters on the customer side of the service meter and increased maintenance costs. He said that this project will install a filtration system and disinfection improvements at the reservoir to mitigate algae and debris entering the Zone B system. Additionally, he said that this project also includes replacement of the existing booster pumps in the reservoir control building and the replacement of the existing chlorination tanks, injection pumps, and piping as the system requires modification for the new filtration system as it is nearing the end of its useful life.

Mr. Burton said that at staff's request, Carollo Engineers submitted a proposal for construction phase engineering services in the amount of \$949,482. He said that the proposal includes scope for submittal reviews, responses to contractor requests for information, site visits, record drawing preparation, development of energy control procedures, and construction coordination and engineering support commensurate with the complex requirements of the project.

Mr. Burton said that the project was advertised for construction bidding to a select list of 18 mechanical contractors. The bid opening was held on August 11, 2022 with bids received from R.C. Foster Corporation, Pacific Hydrotech Corporation, and Shimmick Construction Company, Inc. R.C. Foster Corporation is the apparent low bidder with a bid amount of \$18,282,706.70. Mr. Burton said that staff identified a potential irregularity in the bid submitted by R.C. Foster Corporation where the bid included a cost for mobilization and demobilization that exceeded the District's maximum requirement of 4% of the total bid. He said that staff conferred with legal counsel and legal counsel concurred that there is a sufficient basis for a factual finding by the Board that the irregularity in R.C. Foster's bid is inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders. He said that the three bids all greatly exceeded the engineer's estimate, but were tightly grouped which indicates that the bidders had a similar understanding of the scope of work and that the current challenging supply chain issues are driving construction increases. The substantial increase in construction costs has been reported by other agencies in recent months.

Director Reinhart said that the consultant selection recommendation was reviewed by the Engineering and Operations Committee on July 19, 2022, and on MOTION by Reinhart, seconded by Withers and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$19,801,000, FROM \$3,654,000 TO \$23,455,000; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH CAROLLO ENGINEERS IN THE AMOUNT OF \$949,482 FOR ENGINEERING SUPPORT SERVICES DURING CONSTRUCTION; AND WAIVED THE REQUIREMENT THAT A COST FOR MOBILIZATION AND DEMOBILIZATION NOT TO EXCEED A MAXIMUM OF 4% OF THE TOTAL BID; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH R.C. FOSTER CORPORATION IN THE AMOUNT OF \$18,282,706.70 FOR THE SAN JOAQUIN RESERVOIR FILTRATION, PROJECT 10379.

GENERAL MANAGER'S REPORT

General Manager Cook reported that the number of COVID-19 cases are improving with one or two cases per week; masking remains optional.

Mr. Cook said that staff continues to work with the Baker Water Treatment Plant Partners relative to the upcoming MWD shutdown of its Upper Feeder pipeline in September. He said that staff is preparing a letter agreement between IRWD and the other four Baker Partners regarding water deliveries to be stored temporarily in Irvine Lake for possible emergency use by the Baker Partners during the MWD shutdown. He said that IRWD plans to hold approximately 3,700 acre-feet of untreated water deliveries into Irvine Lake for this purpose.

COMMUNITY UPDATE

Mr. Cook said that Consultant Newell had nothing to report this evening.

DIRECTORS' COMMENTS

Director Withers reported that he will be participating on a panel for the upcoming LAFCO conference relative to ethics.

Director Swan reported that he attended a three-day CASA conference, a WACO meeting, and Newport Chambers of Commerce events.

Director Reinhart reported that he attended the meetings listed with the exception of the OCWD Board meeting.

Director McLaughlin reported that she attended the meetings listed with the exception of the OCWA monthly meeting.

Director LaMar reported on his attendance at an OCBC meeting, an ACWA Climate Change Working Group meeting, and an Irvine Police Department annual awards ceremony. He further noted that last week IRWD hosted an event that included the Secretary of Interior, the Bureau of Reclamation, and the State Water Resources Control Board, among others. He said that during the event, the Secretary of the Interior announced that IRWD will be receiving a \$12.2 million grant for the Syphon Reservoir Improvement Project.

ADJOURNMENT

President LaMar adjourned the meeting at 6:04 p.m.

APPROVED and SIGNED this ___ day of September 2022.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP