

MINUTES OF REGULAR MEETING – OCTOBER 9, 2006

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President Swan at 6:00 p.m., October 9, 2006 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Matheis, Miller Withers, Reinhart, and Swan

Directors Absent: None

Also Present: General Manager Jones, Assistant General Manager Cook, Director of Engineering Heiertz, Treasurer Loomis, Secretary Bonkowski, Legal Counsel Arneson, Mr. Bruce Newell, Mr. Jim Carter, Mr. John Hills, Ms. Maryann Brown, Mr. Tony Mossbarger, Mr. Alex Aguilar, Mr. Chuck Borkman, Mr. Carl Ballard, Mr. Jim Reed, and other members of the public and staff.

COMMUNICATIONS TO THE BOARD

WRITTEN COMMUNICATIONS: None

ORAL COMMUNICATIONS:

- 1) Mrs. Joan Irvine Smith addressed the Board of Directors with respect to the Dyer Road Wellfield. Mrs. Smith said that it was her understanding that currently the DATS wells C-8 and C-9, and well 10 is in operation in accordance with the District's annual pumping plan. MWDOC and OCWD have determined they will not take in-lieu recharge deliveries from MWD in October as the groundwater levels are very high. This was confirmed by Mr. Jones, General Manager of the District.

With respect to the Orange County Basin Groundwater Conjunctive Use Program being coordinated by Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD), the agencies participating are the cities of Anaheim, Westminster, Santa Ana, Buena Park, and Garden Grove, Yorba Linda Water District and Southern California Water Company. Contracts have been awarded by OCWD to Layne Christensen Company and Bakersfield Well & Pump, Inc. to construct a total of eight wells. Well drilling activities are complete and it will take an additional 18 months to complete the well head facilities. OCWD is required to have the wells operational by March 2008. Following well construction, each well will be owned by the individual participating agencies. This was confirmed by Mr. Jones.

With respect to the OCWD annexation of certain IRWD lands, OCWD released the Environmental Impact Report (EIR) in early January 2006. The extended comment period for the EIR closed March 17. Staff has been working with OCWD to review comments on the EIR, and anticipates responses to be prepared and an OCWD Board action on the EIR and annexation in the fall of 2006. This was confirmed by Mr. Jones.

- 2) Mr. Jeff Mosher, Executive Director of the National Water Research Institute, presented Director Withers with a Certificate of Appreciation for his representation on its Board for a number of years. He also thanked the District for membership over the last 15 years.

PRESENTATION

NATIONAL PURCHASING INSTITUTE ACHIEVEMENT OF EXCELLENCE IN PROCUREMENT AWARD

Mr. Alex Aguilar reported that the Achievement of Excellence in Procurement Award was presented to Irvine Ranch Water District by the National Purchasing Institute for the sixth year in a row. The award is achieved by those organizations that demonstrate excellence in procurement by obtaining a high score on a rating of standardized criteria. The program is designed to measure innovation, professionalism, e-procurement, productivity, and leadership attributes in the procurement function.

Following the presentation, Mr. Alex Aguilar was recognized for his promotion to Purchasing Manager.

ITEMS TOO LATE TO BE AGENDIZED – None

CONSENT CALENDAR

General Manager Jones placed before each Director a supplemental write-up for item No. 5, APPROVAL OF BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS. On MOTION by Miller, seconded and unanimously carried, CONSENT CALENDAR ITEM NOS. 4 AND 5 WERE APPROVED AS FOLLOWS:

4. MINUTES OF BOARD MEETINGS

Recommendation: That the minutes of the September 25, 2006 Board of Directors' meeting be approved as presented.

5. APPROVAL OF BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS

Recommendation: Ratify/approve the meetings and events for Mary Aileen Matheis, Darryl Miller, Doug Reinhart, Peer Swan and John Withers as amended.

ACTION CALENDAR

CLAIM ORDINANCE – FIRST READING AND INTRODUCTION

General Manager Jones reported that the California Government Code, Sections 900 *et seq.* ("Claims Act") contains the requirements and procedures for filing claims for money or damages against local agencies. Mr. Jones said that generally a claim must be presented to the agency within six months (in the case of bodily injury) or one year (for other types of money or damages) after the cause of action accrues. The claim is then allowed or rejected

(in whole or in part) by the agency or deemed to be rejected by the agency's inaction for 45 days. Failure to first proceed under the Claims Act on a timely basis precludes litigation by the claimant. The Claims Act contains a list of excepted categories of claims that are not required to be presented under the Claims Act; however, the Act allows agencies to adopt their own procedures for these claims. In their own procedures, the agencies may not prescribe shorter presentation periods or longer times for the agency to act than those in the Claims Act.

Mr. Jones said that one approach that has been followed by some agencies is to adopt a procedure that places the excepted categories of claims under the same requirements that must be followed for all other claims, and in effect, placing all claims under the Claims Act. He said that this has the advantage of simplifying administration while giving the agency the same protections of short statutes of limitations for all claims. He said that staff and legal counsel recommend this approach.

Mr. Jones said that the ordinance along with an identical resolution will be presented for passage and adoption at the next Board meeting. On MOTION by Miller, seconded and unanimously carried, ORDINANCE NO. 2006-1 WAS INTRODUCED FOR FIRST READING AND READ BY TITLE ONLY AS FOLLOWS BY THE SECRETARY, FURTHER READING OF THE ORDINANCE WAS WAIVED, AND THE SECRETARY WAS DIRECTED TO PLACE THE ORDINANCE ON THE AGENDA FOR THE MEETING OF THE BOARD OF DIRECTORS TO BE HELD ON OCTOBER 23, 2006 FOR SECOND READING AND ADOPTION.

ORDINANCE NO. 2006-1

AN ORDINANCE OF THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT REGARDING CLAIMS AGAINST THE DISTRICT

IRVINE LAKE SUPERINTENDENCE AGREEMENT

General Manager Jones reported that by mutual agreement between the two agencies, SWD has served as superintendent of Irvine Lake for a number of years. Mr. Jones said that in 1991, IRWD had requested that the role of superintendent of Irvine Lake be assigned to IRWD. This request, reiterated in subsequent years, was withdrawn by IRWD to allow SWD to continue as Lake Superintendent through the completion of the desilting project. He said that the subject was again discussed after the desilting project was completed in 2002, but was further deferred at SWD's request to allow for the resolution of the advance allocation reconciliation. He said that IRWD reinstated its request when the reconciliation was complete and a new method of accounting for water usage and allocation in the lake was implemented. During the last several IRWD/SWD Ad Hoc Committee meetings, IRWD restated our request that the role of superintendent of Irvine Lake be assigned to IRWD.

Mr. Jones said that at the March 28, 2006 joint ad hoc committee meeting, IRWD and SWD concurred the superintendence role would be shared by dividing the various functions

between them. The functions were reviewed and agreed to by the Committee. At the September 14, 2006 joint ad hoc committee meeting, staff presented a draft agreement regarding the superintendence of Irvine Lake. He said rather than amend the 1928 Agreement's article on the selection of a superintendent, the proposed agreement would supersede those provisions in the 1928 agreement as long as the proposed agreement remains in effect. He said that also included in the draft agreement is a table pursuant to the Committee's direction that describes which agency will be responsible for each of the various functions associated with the superintendence of the lake.

Mr. Jones said that in anticipation of the new arrangement being formally adopted by both agencies, IRWD has been taking the necessary steps to assume the functions allocated to IRWD in the table while SWD continues to perform those functions designated in the table to remain with SWD. This includes modification of certain IRWD vendor contracts to include Irvine Lake with other IRWD reservoirs (when cost effective).

Director Miller reported that this item was reviewed by the Irvine Ranch Water District/Serrano Water District Ad Hoc Committee on September 14, 2006 and that legal counsel prepared a final version of the document based upon Committee's direction. On MOTION by Miller, seconded and unanimously carried, THE AGREEMENT BETWEEN SERRANO WATER DISTRICT AND IRVINE RANCH WATER DISTRICT REGARDING SUPERINTENDENCE OF IRVINE LAKE WAS APPROVED AND EXECUTION AUTHORIZED.

RATTLESNAKE AND SAND CANYON RESERVOIRS – SAMPLING ACCESS FACILITIES REVISIONS

General Manager Jones reported that staff has proposed the construction of facilities to improve access to Rattlesnake and Sand Canyon Reservoirs. The purpose of the improvements is to minimize the risk to staff while getting into and out of the reservoir boats, primarily while performing water quality sampling activities. Mr. Jones said that at the August 28, 2006 Board meeting, staff was authorized to proceed with an award of a contract for the construction of a system concrete stairs and walkways. He said that based upon comments from the Board, staff reevaluated the scope of the project as authorized and re-designed the improvements such that the purpose of the project is still realized, but at a substantially lower cost. Staff recommends revising the project scope and budget to include the construction of floating docks instead of concrete stairs for access to the Rattlesnake and Sand Canyon Reservoirs.

Mr. Chuck Borkman reported that the National Pollutant Discharge Elimination System (NPDES) permit for the Michelson Water Reclamation Plant requires weekly water quality sampling at the Rattlesnake and Sand Canyon Reclaimed Water Reservoirs. Under current conditions, access into the reservoirs is not adequate to safely conduct the sampling work. Mr. Borkman said that after creating a capital project, staff had a design prepared for facilities that would improve access to the reservoirs. These facilities included concrete ramps, walkways and stairways with handrails. Bids were solicited, and the bid results were submitted to the Board at its meeting on August 28, 2006, along with staff's recommendation

to authorize the General Manager to award a contract to the low bidder, DenBoer Engineering, for \$404,500. The Board approved staff's recommendation, but only after a thorough discussion of the project scope. He said that before awarding a construction contract to the low bidder, staff decided to re-evaluate the needs of the project, particularly in light of the comments made by the Board. He said that staff considered many alternatives, and found that floating docks would be a suitable and far more economical alternative to the concrete ramps and stairways. Floating docks are durable, constructed of durable low-density polyethylene, easy to install, and slip resistant. They work well in applications where the water surface elevation varies dramatically, such as at Rattlesnake and Sand Canyon reservoirs. He said that the overall project cost will be substantially lowered by installing floating docks in lieu of concrete ramps alternative, reducing construction costs from \$404,500 to \$50,000.

Mr. Borkman said that staff received a preliminary estimate from a floating dock supplier, Southcoast Dock & Supply, to furnish and install an "EZ Dock" at both Rattlesnake and Sand Canyon Reservoirs. Southcoast has indicated that the docks, including handrails, can be installed quickly and that work can begin within two weeks from the award of contract. Staff has requested proposals from other floating dock suppliers to determine if alternative suppliers can provide a suitable product at a lower cost. Staff recommends that the Board authorize the General Manager to execute a contract with a floating dock supplier whose product meets IRWD's requirements for the intended installations at the lowest cost, for an amount not to exceed \$50,000. Staff has also modified the design for the access road leading to the ramp/dock facilities. The existing dirt roadways will be re-graded and layered with 3/4-inch crushed rock in lieu of concrete paving. These improvements will be completed by IRWD staff before the beginning of the rainy season. Costs for this work are estimated at \$10,000.

Mr. Borkman said that staff also recommends that the Board rescind its action taken at the August 28, 2006 meeting by withdrawing the authorization to award a contract to DenBoer Engineering to construct the Rattlesnake and Sand Canyon Reservoirs Sampling Access Facilities Project.

Director Miller said that he appreciated staff revisiting at this item, and on MOTION by Miller, seconded and unanimously carried, THE BUDGET WAS DECREASED FOR PROJECT 30132 BY \$560,700, FROM \$674,300 TO \$113,600; AN EXPENDITURE AUTHORIZATION WAS DECREASED FOR PROJECT 30132 BY \$560,700; THE AUTHORIZATION FOR THE GENERAL MANAGER TO AWARD A CONTRACT WITH DENBOER ENGINEERING FOR \$404,500 FOR THE RATTLESNAKE AND SAND CANYON RESERVOIRS SAMPLING ACCESS FACILITIES PROJECT WAS RESCINDED; AND THE GENERAL MANAGER WAS AUTHORIZED TO EXECUTE A CONTRACT WITH A COMPANY THAT WILL PROVIDE FLOATING DOCKS SUITABLE FOR INSTALLATION AT RATTLESNAKE AND SAND CANYON RESERVOIRS FOR AN AMOUNT NOT-TO-EXCEED \$50,000, PROJECT 30132.

GENERAL MANAGER'S REPORT

General Manager Jones reported that the NROC will be holding its 10 year anniversary/symposium on November 18 beginning at 8:30 a.m. with Mr. Doug Wheeler and Ms. Monica Florian as speakers.

DIRECTORS' COMMENTS

Director Miller said that he appreciated the social event held for past and present General Managers and Board of Directors on October 6. In response Director Withers saying that he enjoyed the history of the District presented by these individuals, Director Matheis suggested staff to look into a method of recording the history with them.

Director Withers reported on an upcoming LAFCO meeting on Wednesday, a Regional Board meeting on Friday, and a NWRI Strategic Planning meeting tomorrow which he will be facilitating.

Director Matheis reported on her attendance at a re-dedication in Lake Forest of El Toro Road; a water quality task force meeting, and the Tucker Wildlife Sanctuary Open House event.

Vice President Reinhart reported on his attendance at a SOCWA Board meeting where they reviewed the General Manager's performance for the last six months as well as looked at biosolids' status where it will be deemed a hazardous waste. He said that Mr. Jones will be researching this issue. He reported on his attendance at a WACO meeting. In response to his inquiry if an additional community tour may be necessary, Ms. Beeman said that she would be monitoring it, and would add a tour if feasible.

President Swan reported that he was appointed on a task force for MWDOC to work on strategy for the 2008 bond issue. He said that WACO would be holding its monthly meetings at IRWD during 2007. He further said that he attended the Tucker Wildlife Open House.

CLOSED SESSION

President Swan said that a Closed Session would be held with legal counsel relative to anticipated litigation; Government Code Section 54956.9(b); significant exposure to litigation (one potential case).

OPEN SESSION

The meeting was reconvened with Reinhart, Withers, Swan, Matheis and Miller present. No action was reported.

ADJOURNMENT

There being no further business, President Swan adjourned the meeting.

APPROVED and SIGNED this 23rd day of October, 2006.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone