

**AGENDA
IRVINE RANCH WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING**

January 28, 2008

PLEDGE OF ALLEGIANCE

CALL TO ORDER

6:00 P.M., Board Room, District Office
15600 Sand Canyon Avenue, Irvine, California

ROLL CALL

Directors Matheis, Reinhart, Swan, Withers, and President Miller

NOTICE

If you wish to address the Board on any item, including Consent Calendar items, please file your name with the Secretary. Forms are provided on the lobby table. Remarks are limited to five minutes per speaker on each subject. Consent Calendar items will be acted upon by one motion, without discussion, unless a request is made for specific items to be removed from the Calendar for separate action.

COMMUNICATIONS TO THE BOARD

1. A. Written:

B. Oral: Mrs. Joan Irvine Smith relative to the Dyer Road Wellfield.

2. ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Recommendation: Determine that the need to discuss and/or take immediate action on item(s) introduced come to the attention of the District subsequent to the agenda being posted.

PRESENTATION

Next Resolution No. 2008 - 4

3. RESOLUTION COMMENDING CHARLES "CHUCK" E. BORKMAN FOR HIS SERVICE TO THE DISTRICT

Recommendation: That the Board adopt a resolution commending Charles "Chuck" E. Borkman for his dedicated and loyal service to the District.

Reso No. 2008-

4. STATE LEGISLATIVE UPDATE

Mr. Phil Isenberg and Mr. Curt Pringle will provide an update on State Legislation for 2008.

CONSENT CALENDAR

Items 5 - 18

5. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the January 14, 2008 Regular Board Meeting be approved as presented.

CONSENT CALENDAR (Continued)

Next Resolution No. 2008 -4

Items 5 - 18

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

Recommendation: That the Board ratify/approve the meetings and events for Mary Aileen Matheis, Darryl Miller, Doug Reinhart, Peer Swan, and John Withers.

7. STATE LEGISLATIVE UPDATE

Recommendation: Receive and file.

8. 2008 SELECTION OF FEDERAL LOBBYIST

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with The Furman Group for \$10,000 per month for 12 months plus reimbursable direct expenses not to exceed \$138,000.

9. DECEMBER 2007 FINANCIAL REPORTS

Recommendation: Receive and file the Treasurer's Investment Summary Report and the Monthly Interest Rate Swap Summary for December 2007; approve the December 2007 Summary of Wire Transfers and Ach Payments in the total amount of \$7,733,198.79; and approve the December 2007 Warrants Nos. 286217 through 286950, Workers' Compensation distributions and voided checks in the total amount of \$13,948,516.64.

10. DISTRICT STRATEGIC MEASURES DASHBOARDS

Recommendation: Receive and file the Strategic Measure Dashboard and Information Items.

11. MEMORANDUM OF UNDERSTANDING WITH COSTA MESA SANITARY DISTRICT REGARDING ANNIVERSARY LANE WATER LINE

Recommendation: That the Board authorize the General Manager to execute the Memorandum of Understanding between Costa Mesa Sanitary District and Irvine Ranch Water District for reimbursement of costs to protect the water line in Anniversary Lane.

12. BUILDING 50 AND PURCHASING WAREHOUSE ROOF REPLACEMENT – FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Building 50 and purchasing and warehouse roofs, 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 for the Building 50 and purchasing warehouse roof replacement project, Project Nos. 11047, 11077, 21077, and 31077.

13. RATTLESNAKE PARK RESTROOM BUILDING CONSTRUCTION – FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Rattlesnake Park restroom building, authorize the General Manager to file a Notice of Completion and payment of the retention 35 days after the date of recording the Notice of Completion for the Rattlesnake Park restroom construction project, Project Nos. 10558, 20558, and 30588.

14. SAND CANYON HEADQUARTERS ROOF RECOATING – FINAL ACCEPTANCE

Recommendation: That the Board accept the roof recoating on the Sand Canyon building, 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 for the Sand Canyon Headquarters Building roof recoating project, Project Nos. 11295, 11351, 21351, and 31351.

15. SOLAR PANELS FOR SAND CANYON HEADQUARTERS BUILDING – FINAL ACCEPTANCE

Recommendation: That the Board accept installation of solar panels on Sand Canyon headquarters building, 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 for the solar panel installation for Sand Canyon headquarters building project, Project Nos. 10912, 10914, 20912, and 30912.

CONSENT CALENDAR (Continued)

Next Resolution No. 2008 -4

Items 5 - 18

16. ORCHARD HILLS ZONE 3-5 BOOSTER PUMP STATION AND PORTOLA SPRINGS ZONE A-C PUMP STATION ENGINEERING SUPPORT SERVICES DURING CONSTRUCTION AND REDUCTION OF RETENTION

Recommendation: That the Board authorize the General Manager to execute Variance No. 1 with Stantec Consulting, Inc. for engineering support services during construction in the amount of \$70,669, authorize a reduction of retention from 10% to 5% of the contract amount and the release of funds in excess of 5% of the contract amount from the retention currently held for the Orchard Hills Zone 3-5 Booster Pump Station and Portola Springs Zone A-C Booster Pump Station project. Project Nos. 13511 and 30237.

17. OPERATIONS CENTER COMPUTER ROOM POWER SYSTEM REPLACEMENT CONTRACT AWARD AND EXPENSE AUTHORIZATION

Recommendation: That the Board authorize the General Manager to execute a contract with Datasite, Inc. in the amount of \$149,904 to carry out the Operations Center computer room power system replacement project, and approve Expenditure Authorizations in the amounts of \$94,600 for project 10451, \$33,000 for project 20451 and \$33,000 for project 30451.

18. PROPOSITION 1A – PROTECTION OF LOCAL GOVERNMENT REVENUES

Recommendation: That the Board reaffirm its support of the provisions of Proposition 1Aa and the policy principles adopted by ACWA and direct staff to ensure that any property tax shift implemented under the provisions of Proposition 1A be done in a fair and equitable manner.

ACTION CALENDAR

19. REVISED DRAFT LETTER AGREEMENT FOR SHORT-TERM WATER STORAGE PARTNERSHIP WITH CARPINTERIA VALLEY WATER DISTRICT

Recommendation: That the Board authorize the General Manager to execute the Letter Agreement with Carpinteria Valley Water District subject to non-substantive changes approved by the General Manager and Legal Counsel.

ACTION CALENDAR - Continued

20. PRESSURE REDUCING VALVES PRESSURE RELIEF BUDGET ADDITION, EXPENDITURE AUTHORIZATION AND CONSULTANT SELECTION

Recommendation: That the Board authorize the addition of project 11345 to the Fiscal Year 2007/08 Capital budget for \$941,600; approve an Expenditure Authorization in the amount of \$138,600; and authorize the General Manager to execute an Engineering Services Agreement with DBE Psomas in the amount of \$94,940.

21. POTABLE WATER SUPPLY RELIABILITY STUDY CONSULTANT SELECTION

Recommendation: That the Board authorize the addition of Project 11355 to the Fiscal Year 2007/08 Capital Budget in the amount of \$176,000; approve an Expenditure Authorization for Project 11355 in the amount of \$176,000; and authorize the General Manager to execute an engineering services contract with Camp Dresser & McKee, Inc. in the amount of \$120,718 to complete the Potable Water Reliability Study, project 11355.

22. IRVINE LAKE PIPELINE VALUT IMPROVEMENTS PROJECT CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase for project 10167 by \$47,300, from \$396,000 to \$443,300; approve an Expenditure Authorization for \$425,000; and authorize the General Manager to execute a contract with DenBoer Engineering for \$243,000 for the Irvine Lake Pipeline Vault Improvements project 10167.

23. VARIANCE TO CONSULTANT CONTRACT WITH LEWIS OPERATING CORPORATION LAKE FOREST OPPORTUNITIES STUDY

Recommendation: That the Board authorize an increase to the 2007/08 Capital budget for Project No. 11116 from \$1,985,500 to \$2,066,500; approve an Expenditure Authorization for Project No. 11116 in the amount \$2,066,500; and authorize the General Manager to execute a Variance to the Professional Services Agreement with Lewis Operating Corporation to provide consulting services related to the opportunities study in an amount not to exceed \$509,800.

ACTION CALENDAR - Continued

24. FORMATION OF IRWD II LLC FOR THE ACQUISITION AND MERGER OF THE ORANGE PARK ACRES MUTUAL WATER COMPANY

Recommendation:

- a) Approve and authorize the President of the board to execute the Limited Liability Company Operating Agreement of IRWD Water Service Company II LLC, on behalf of IRWD;
- b) Approve and authorize the President of IRWD, in its capacity as manager of IRWD Water Service Company II LLC, to execute the Service Agreement on behalf of IRWD Water Service Company II LLC;
- c) Approve and authorize the General Manager to execute the Service Agreement on behalf of IRWD;
- d) Approve and authorize the President of IRWD, in its capacity as Manager of IRWD Water Service Company II LLC, to execute the Agreement of Merger on behalf of IRWD Water Service Company II LLC; each of the foregoing agreements to be in the form presented to this meeting, subject to non-substantive changes as may be approved by the General Manager and Legal Counsel;
- e) Authorize and direct each officer of IRWD, acting singly, to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the foregoing agreements, including, but not limited to, any and all documents, instruments, acts and things necessary or proper for forming the IRWD Water Service Company II LLC and completing the merger and payment for shares when duly approved by the Orange Park Acres Mutual Water Company shareholders.

OTHER BUSINESS

Pursuant to Government Code Section 54954.2, members of the Board of Directors or staff may ask questions for clarification, make brief announcements, make brief reports on his/her own activities. The Board or a Board member may provide a reference to staff or other resources for factual information, request the staff to report back at a subsequent meeting concerning any matter, or direct the staff to place a matter of business on a future agenda. Such matters may be brought up under the General Manager's Report or Directors' comments.

25. A. General Manager's Report

OTHER BUSINESS - Continued

25. B. Directors' Comments

1)

2)

3)

4)

OTHER BUSINESS - Continued

25. B. Directors' Comments

5)

C. Adjournment

D. CLOSED SESSION with legal counsel relative to anticipated litigation- Government Code Section 54956.9(b) - significant exposure to litigation – one potential case concerning claim filed by the City of Tustin against IRWD under the Government Tort Claims Act (Valencia North Loop Road and Armstrong Avenue), on file with the District.

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The Irvine Ranch Water District Board Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.) please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the Scheduled meeting. This agenda can be obtained in alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.