

MINUTES OF REGULAR MEETING – AUGUST 27, 2007

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 6:00 p.m. by President Reinhart on August 27, 2007 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None

Also Present: General Manager Jones, Assistant General Manager Cook, Director of Engineering Heiertz, Secretary Bonkowski, Legal Counsel Arneson, Mr. Jim Reed, Ms. Beth Beeman, Mr. Carl Ballard, Mr. Dave Lochridge, Mr. Rick Scholten, Mr. Steve Malloy, Mr. Tony Mossbarger, Mr. Tom Bonkowski, Mr. Dick Diamond, Mr. Kevin Burton, Mr. Bruce Newell, and other members of the public and staff.

COMMUNICATIONS TO THE BOARD

Written Communications: None

Oral Communications: Mrs. Joan Irvine Smith addressed the Board of Directors with respect to the Dyer Road Wellfield. Mrs. Smith said it was her understanding that currently wells 1, 2, 3, 4, 5, 6, 7, C-8 and C-9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 are in operation in accordance with the District's annual pumping plan. The District's planned pumping for August is 4,900 AF per month. 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, 2006, and OCWD is now completing the response to comments. On January 17, 2007, the OCWD Board approved proposed terms and conditions for annexation and directed staff to prepare an annexation agreement for OCWD and IRWD approval. On April 11, 2007, a draft annexation agreement was submitted to OCWD's Water Issues Committee with the recommendation to transmit to IRWD for review and consideration. A meeting of the OCWD/IRWD Ad Hoc Committee was held on July 6, 2007 to discuss a proposal by IRWD for advancing the construction of replenishment facilities in conjunction

with the annexation. The follow-up meeting that was scheduled for August 3, 2007 was cancelled at the request of OCWD. To date, OCWD has not asked us to reschedule this meeting. It is unclear if the OCWD Board will elect to take action on the EIR and annexation agreement. This was confirmed by Mr. Jones.

In response to Mrs. Smith's inquiry if there was action to report from the August 13, 2007 Closed Session item relative to one or more potential cases concerning the annexation to OCWD, Mr. Jones said that there was none.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED – None

CONSENT CALENDAR

Director Swan asked that Consent Calendar items 13, ASPHALT WORK AT IRVINE RANCH WATER DISTRICT FIELD SITES, and item 26, FEASIBILITY STUDY OF PHOTOVOLTAIC SYSTEMS – CONSULTANT SELECTION, BUDGET ADDITION AND EXPENDITURE AUTHORIZATION APPROVAL be pulled from the calendar for discussion. There being no objection, items 13 and 26 were moved to the Action Calendar. On MOTION by Withers, seconded and unanimously carried, CONSENT CALENDAR ITEMS 3 THROUGH 12 AND 14 THROUGH 25 AND 27 WERE APPROVED AS FOLLOWS:

3. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the August 13, 2007 Regular Meeting be approved as presented.

4. 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.

5. RESOLUTION COMMENDING DOUGLAS WILHEIMI FOR HIS SERVICE TO THE DISTRICT

Recommendation: That the Board adopt the following resolution commending Douglas Wilhemi for his dedicated and loyal service to the District.

RESOLUTION NO. 2007 – 27

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
DOUGLAS WILHEIMI FOR HIS DEDICATED AND
LOYAL SERVICE TO THE DISTRICT

6. RESOLUTION COMMENDING SOON KIM FOR HIS SERVICE TO THE DISTRICT

Recommendation: That the Board adopt the following resolution commending Soon Kim for his dedicated and loyal service to the District.

RESOLUTION NO. 2007 – 28

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
SOON T. KIM FOR HIS DEDICATED AND
LOYAL SERVICE TO THE DISTRICT

7. STRATEGIC MEASURES DASHBOARDS

Recommendation: Receive and file.

8. JULY 2007 FINANCIAL REPORTS

Recommendation: Receive and file the Treasurer's Investment Summary Report and the Monthly Interest Rate SWAP Summary for July 2007; and approve the July 2007 Summary of Wire Transfers and ACH payments in the total amount of \$6,674,474.26; and the July 2007 Warrant Nos. 281895 through 282672, Workers' Compensation Distributions and voided checks in the total amount of \$9,007,472.89.

9. STATE LEGISLATIVE UPDATE

Recommendation: That the Board take a support position on SB 838 (Cogdill): Fire Prevention and Protection.

10. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2007 BOARD ELECTION FOR REGION 6

Recommendation: That the Board support the re-election of Arlene Schafer of the Costa Mesa Sanitary District for the CSDA Board of Directors seat for Region 6.

11. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)
CALIFORNIA WATER PUBLIC EDUCATION PROGRAM FUNDING

Recommendation: That the Board approve of a contribution of \$50,000 for the ACWA Public Outreach Campaign to educate the public regarding water issues.

12. UPCOMING PROJECTS STATUS REPORT

Recommendation: Receive and file.

14. IRVINE DESALTER PROJECT – WELLHEAD FACILITIES WELLS 76, 77, 110 AND 115 – FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Irvine Desalter Project Wellheads Facilities – Wells 76, 77, 110, & 115; 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.

15. VAULT FACILITIES LID REPLACEMENT PROJECT CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase for project 20981 by \$344,900, from \$116,000 to \$460,900; approve an Expenditure Authorization for \$460,900 for project 20981; and authorize the General Manager to award a contract with Paulus Engineering for \$287,900 for the Vault Facilities Lid Replacement project.

16. SEDIMENT REMOVAL FROM SAN DIEGO CREEK CONSTRUCTION PHASE SERVICES

Recommendation: That the Board authorize the General Manager to execute an agreement with MBC Applied Environmental Sciences for characterization and water quality monitoring in the amount of \$86,642.54 for the sediment removal from the San Diego Creek In-channel Basins Nos. 2 and 3, project 20735.

17. LETTER AGREEMENT FOR RELOCATION OF KERN WATER BANK AUTHORITY WELL NO. 30/25/11C

Recommendation: That the Board authorize the General Manager to execute a letter agreement with the Kern Water Bank Authority for the relocation of Kern Water Bank Well No. 30/25/11C subject to non-substantive changes approved by the General Manager and Legal Counsel.

18. NEWPORT COAST FORCE MAIN REHABILITATION PROJECT CONSTRUCTION CHANGE ORDER AND FINAL ACCEPTANCE

Recommendation: That the Board approve Contract Change Order No. 1 in the amount of \$139,252.12 with W. A. Rasic Construction; accept construction of the Newport Coast Force Main Rehabilitation, project 20385; authorize the General Manager to file a Notice of Completion; and authorize the payment of retention 35 days after the filing of the Notice of Completion.

19. RATTLESNAKE AND IRVINE LAKE PIPELINE STRAINERS
REPLACEMENT PROJECT ENGINEERING SUPPORT SERVICES DURING
CONSTRUCTION

Recommendation: That the Board authorize the General Manager to execute a Variance with Steven Andrews Engineering for engineering support services during construction in the amount of \$55,630.

20. CABINLAND HYDROPNEUMATIC PUMP STATION – INCREASE THE
FISCAL YEAR 2007/08 CAPITAL BUDGET AND EXPENDITURE
AUTHORIZATION, FINAL ACCEPTANCE, AND APPROVAL OF SECTION
33445 AGREEMENT AND RESOLUTION FOR A GRANT FROM THE
ORANGE COUNTY DEVELOPMENT AGENCY

Recommendation: That the Board approve an increase to the Fiscal Year 2007/08 Capital budget for Cabinland Hydropneumatic Pump Station, project 11146, by \$39,500 from \$511,300 to \$550,800; approve an Expenditure Authorization for project 11146 by \$140,700, from \$410,000 to \$550,800; authorize the reduction of retention from 10% to 5% of the contract amount and release of funds in excess of 5% of the contract amount from retention currently held; accept construction of the pump station; authorize the General Manager to file a Notice of Completion, and authorize the release of retention 35 days after filing of the Notice of Completion; approve section 33445 agreement between Irvine Ranch Water District (IRWD) and the Orange County Development Agency and authorize the General Manager to execute the agreement; and adopt the following resolution by title making findings under the Health and Safety Code Section 33445 relating to the IRWD Cabinland Hydropneumatic Pump Station replacement project.

RESOLUTION NO. 2007-30

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IRVINE RANCH WATER DISTRICT MAKING FINDINGS
UNDER HEALTH AND SAFETY CODE SECTION 33445
RELATING TO THE IRVINE RANCH WATER DISTRICT
CABINLAND HYDROPNEUMATIC PUMP STATION
REPLACEMENT PROJECT

21. QUITCLAIM OF REAL PROPERTY

Recommendation: That the Board adopt the following a resolution approving execution of quitclaim deeds to FPOC, LLC and Foothill 10/PAD 2, LLC

RESOLUTION NO. 2007 – 29

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT APPROVING
EXECUTION OF THE QUITCLAIM DEED TO
FPOC, LLC AND FOOTHILL 10/PAD 2, LLC

22. PLANNING AREA 6 CAPITAL FACILITIES CONSTRUCTION CHANGE ORDERS

Recommendation: That the Board authorize a budget increase for project 10780 in the amount of \$535,500, from \$1,185,000 to \$1,720,500; authorize a budget increase for project 30780 in the amount of \$441,000, from \$1,400,000 to \$1,841,000; approve an Expenditure Authorization for project 10780 in the amount of \$535,500 and for project 30780 in the amount of \$441,000; approve Change Order No. 1 in the amount of \$915,905.26 for projects 10780 and 30780; approve Change Orders Nos. 5 and 6 in the amount of \$125,672.67 for projects 10779, 20355 and 30779; approve Change Order No. 9 in the amount of \$31,544.75 for projects 10778, 10779, 20349, 20352, 20355 and 30779; and approve Change Order No. 13 in the amount of \$59,319.85 for projects 10781 and 30781 for Planning Area 6 Capital Facilities.

23. SCADA TELEMETRY NETWORK UPGRADE EXPENDITURE AUTHORIZATION AND CONTRACT AWARD

Recommendation: That the Board approve Expenditure Authorizations in the amounts of \$82,500 for project 10925, \$82,500 for project 20925 and \$82,500 for project 30925; and authorize the General Manager to execute a contract with Malcolm Pirnie to carry out the Telemetry Network Upgrade Design project in the amount of \$145,445.

24. DYER WELL 12 REHABILITATION EXPENDITURE AUTHORIZATION

Recommendation: That the Board approve the addition of project 11343 Dyer Well 12 Rehabilitation to the Fiscal Year 2007/08 Capital budget for the amount of \$150,200 and approve an Expenditure Authorization for project 11343 in the amount of \$150,200.

25. MWRP FPS-2 ENGINEER 3 REPLACEMENT BUDGET INCREASE AND EXPENDITURE AUTHORIZATION

Recommendation: That the Board authorize a budget increase of \$14,400 for project 20450, and approve an Expenditure Authorization for \$20,400 for the replacement of Engine 3 with a higher-capacity model.

27. PHASE 1 – MICHELSON WATER RECLAMATION PLANT 2005 UPGRADES REDUCTION OF RETENTION

Recommendation: That the Board find satisfactory progress has been made on the contract and authorize the reduction of retention from 10% to 5% of the contract for Phase 1 – Michelson Water Reclamation Plant 2005 upgrades, project 20276.

28. LAWRP BIOSOLIDS REMOVAL AND DISPOSAL CHANGE ORDER NO. 1 AND FINAL ACCEPTANCE

Recommendation: That the Board approves Change Order No. 1 to the contract with Solid Solutions in the amount of \$189,596.18; accept removal and dewatering and hauling and disposal construction of the LAWRP biosolids removal and disposal, project 20482; 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 American Process Group and Solid Solutions, respectively.

29. ANNUAL 2007/08 WATER QUALITY PLANNING RESERVES

Recommendation: That the Committee recommend Board approval of Expenditure Authorizations (direct costs) in the amounts of \$192,500 for project 11204, \$136,400 for project 20538, and \$94,600 for project 30298.

ACTION CALENDAR

ASPHALT WORK AT IRVINE RANCH WATER DISTRICT FIELD SITES

In response to Director Swan's inquiry, Mr. Dave Lochridge said that the project would include work to repair cracks and asphalt repaving. There being no further questions, on MOTION by Swan, seconded and unanimously carried, AN EXPENDITURE AUTHORIZATION FOR PROJECT 11210 FOR \$92,400 FOR THE ASPHALT FIELD SITES PROJECT WAS APPROVED.

FEASIBILITY STUDY OF PHOTOVOLTAIC SYSTEMS – CONSULTANT SELECTION, BUDGET ADDITION AND EXPENDITURE AUTHORIZATION APPROVAL

In response to Director Swan's inquiry, General Manager Jones said staff is investigating the feasibility of installing photovoltaic systems (i.e. solar panels) at various locations/facilities within the District. Following discussion, the General Manager said that staff would provide Director Swan an overview of this project. On MOTION by Withers, seconded and unanimously carried, THE BOARD AUTHORIZED THE ADDITION OF PROJECTS 11352, 21352 AND 31352 TO THE FY 2007/08 BUDGET; APPROVED EXPENDITURE AUTHORIZATIONS FOR PROJECT 11352 IN THE AMOUNT OF \$38,800, PROJECT 21352 IN THE AMOUNT OF \$6,400 AND PROJECT 31352 IN THE AMOUNT OF \$38,800; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH MARK BALAN & ASSOCIATES, CONSULTING ELECTRICAL ENGINEERS IN THE AMOUNT OF \$59,500 FOR THE FEASIBILITY OF INSTALLING PHOTOVOLTAIC SYSTEMS AT VARIOUS LOCATIONS/FACILITIES WITH THE UNDERSTANDING THAT STAFF WOULD PROVIDE AN OVERVIEW OF THE PROJECT TO DIRECTOR SWAN.

MEMBRANE BIOREACTOR PROCUREMENT MICHELSON WATER RECLAMATION PLANT PHASE 2 EXPANSION AND VARIANCE NO. 2

General Manager Jones said that he would like to combine items 30 and 31. Using a PowerPoint presentation, Mr. Steve Malloy provided an overview of the expansion project. Mr. Malloy reviewed the design flows and wastewater strength, MWRP flows with HATS diversion, updated flow projections, the updated design for the preliminary and primary treatment, flow equalization, the biological treatment/filtration process, disinfection and effluent pumping. Mr. Malloy said that Zenon membrane bioreactor equipment would be installed, and a representative from Ge/Zenon responded to Director Swan's inquiry relative to warranties. Mr. Malloy then provided renderings of the proposed headworks facility. He further reviewed an updated opinion of construction costs; MWRP Phase 2 expansion components' unit costs for the new liquid treatment capacity, an updated schedule, and recommendations for Board approval this evening.

In response to an inquiry by Director Swan, staff was asked to provide a write-up at the Engineering and Operations Committee providing the reason why the District should be purchasing diesel generators versus gas generators and also providing a diagram showing where we would place future expansions at the MWRP. On MOTION by Withers, seconded and unanimously carried, THE BOARD APPROVED EXPENDITURE AUTHORIZATIONS FOR \$945,000 FOR PROJECT 20214 AND \$455,700 FOR PROJECT 30214, APPROVED VARIANCE NO. 2 FOR \$982,902 TO HDR ENGINEERING, INC. FOR ADDITIONAL DESIGN SERVICES, AUTHORIZED THE GENERAL MANAGER TO AWARD A CONTRACT TO SAF-R-DIG POTHOLING AND TRENCHING SERVICES IN THE AMOUNT OF \$128,000, AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PURCHASE AGREEMENT WITH GE/ZENON FOR THE MWRP MBR EQUIPMENT IN THE FORM PRESENTED TO THIS MEETING SUBJECT TO NON-SUBSTANTIVE CHANGES APPROVED BY THE GENERAL MANAGER AND LEGAL COUNSEL IN AN AMOUNT NOT TO EXCEED \$9,137,000, AND AUTHORIZED ISSUANCE OF A PURCHASE ORDER FOR THE SPECIAL SHOP DRAWING ENGINEERING SERVICES PORTION OF THE WORK IN THE AMOUNT OF \$170,000 FOR THE MICHELSON WATER RECLAMATION PLANT PHASE 2 EXPANSION, PROJECTS 20214 AND 30214.

SAN JOAQUIN MARSH CAMPUS CONSTRUCTION AWARD, BUDGET INCREASE AND EXPENDITURE AUTHORIZATION

General Manager Jones reported that this proposed project will realign the existing Duck Club caretaker home site into a campus area with additional educational and meeting facilities, interconnecting pathways and more effective use of existing facilities and surrounding open space.

Mr. Kevin Burton said that in June 2005, the Board approved a conceptual Master Plan for facilities at the San Joaquin Marsh Campus and Wildlife Sanctuary. He placed before each Director of copy of the proposed layout of the facility, along with the drawings of

the interior and exterior facility. Mr. Burton said that the objective of the plan is to optimize the use of the current facilities without altering the character and feel of the campus. He said that the proposed Master Plan developed by RJM Design Group reaffirmed the rustic natural setting while at the same time realigning the current facilities into a campus area with interconnecting pathways and a more effective use of the buildings and surrounding open space. He said that in November 2006, the Board approved the selection of RJM for the development of construction plans for the Main Campus Improvements (Phase III). The Phase III scope consisted of the relocation of the three historical houses, construction of a new multi-purpose classroom/meeting building; and development of access, utility, and landscape improvements for the main campus site.

Mr. Burton said that the project was advertised for bidding in May 2007 and that three bids for the project were received with the apparent low bidder PhilCo Construction Inc. with a total bid amount of \$3,147,887. The engineer's estimate was \$2,401,780, approximately 30% less than the low bid. He said that even though the price received from the low bidder exceeded the engineer's estimate, staff believes that the price quoted for the work is fair. PhilCo Construction Inc. successfully completed the expansion of the Duck Club (Phase II) and staff found their work to be of very good quality. Mr. Burton said that subsequent to the bid opening, staff decided to remove the landscaping and irrigation piping from the project due to ongoing effort to evaluate alternative methods of completing the work at a lower cost, possibly with the help of organizations like Shadetree Partnership. With the removal of the landscaping and irrigation piping, PhilCo Construction Inc. remains the apparent low bidder with a total bid amount of \$2,792,959. District legal counsel reviewed and concurred with staff's evaluation of the revised bid amounts after removal of the landscaping and irrigation work.

Following discussion on the parking at this site, on MOTION by Swan, seconded and unanimously carried, THAT THE BOARD APPROVE A BUDGET INCREASE TO THE FY 2007/08 CAPITAL BUDGET FOR PROJECT 10957 BY \$1,567,200 FROM \$2,509,500 TO \$4,076,700; APPROVE AN EXPENDITURE AUTHORIZATION FOR \$3,660,500 FOR PROJECT 10957; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH PHILCO CONSTRUCTION INC. FOR \$2,792,959 FOR THE SAN JOAQUIN MARSH CAMPUS, PROJECT 10957.

UNIVERSITY DRIVE SEWER FORCE MAIN DESIGN CONSULTANT SELECTION

Director of Engineering Heiertz reported that in March 2001, a sewer manhole shaft partially collapsed at the intersection of University Drive and Campus Drive at which time temporary repairs were made to the manhole. Mr. Heiertz said that on May 2003, a leak in the University Drive Force Main on University Drive adjacent to San Diego Creek also required emergency repair. He said that a project was developed in 2005 for construction of a redundant force main on University Drive and on the Campus Drive bridge over San Diego Creek, a gravity sewer from the force main terminal manhole to MWRP, sewer pipeline and manhole rehabilitation work at the Campus Drive -

University Drive intersection, and reconfiguration of trunk sewers at the Korean Bethel Church on Harvard Avenue. He said that the project was bid unsuccessfully in June 2005 and since that time, alternative alignments employing various construction installation methods for the force main have been developed and evaluated.

Mr. Heiertz said that Request for Proposals for designing the force main using horizontal directional drilling (HDD) construction were transmitted to CDM, Carollo Engineers, Jacobs and Associates, and Tetra Tech, Inc. and that proposals were received from CDM, Carollo, and from the team of Tetra Tech, Inc./Jacobs and Associates (Tetra Tech). He said that following an evaluation, staff recommends that a design contract for the HDD alignment be awarded to Tetra Tech, Inc.

Director Withers reported that this item was reviewed and approved by the Engineering and Operations Committee on August 21, 2007. Following discussion, on MOTION by Withers, seconded and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE AN ENGINEERING SERVICES AGREEMENT WITH TETRA TECH, INC., IN THE AMOUNT OF \$329,277, AND APPROVE AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$394,800 FOR DESIGN OF THE UNIVERSITY DRIVE SEWER FORCE MAIN, PROJECT 20378.**

OPERATIONS CENTER EXPANSION PROJECT CONSULTANT SELECTION, BUDGET AND EXPENDITURE AUTHORIZATION

General Manager Jones said that in 1991, IRWD retained the services of an architectural firm to review the current and future staffing needs and to prepare alternative facility plans for accommodating these requirements. The plans included a review of IRWD's future wastewater treatment expansion to assure coordination with the proposed facility improvement plans. Mr. Jones said that since 1994, a number of unplanned staffing changes occurred which were not included in the initial plan. These included staffing additions as a result of the annexation of Los Alisos Water District to IRWD; the creation of a new Water Resources and Environmental Quality Department; the creation of a new Operations Engineering Support Department; and additional staff in the Information Services Department. The current buildings were designed for an ultimate staff of 179 employees. The current number of employees assigned to the Operations Center is 179. The staffing increases have also created a shortage of parking.

Mr. Jones said that staff issued a Request for Proposal (RFP) requesting professional consulting services for a Preliminary Planning Report (PPR). The RFP was issued to a select group of 10 architectural consultants, and following a pre-proposal meeting on June 18, 2007, three of the 10 consultants notified staff that they would not be able to participate in the project, and three did not submit proposals. Mr. Jones said that staff received written proposals from GPRA, Carter and Burgess, Carrier Johnson and RRM Design Group, and following an evaluation of the proposals, staff selected GPRA, Carter and Burgess, and RRM Design Group for interviews. Based on the interviews, staff selected RRM.

Director Withers said that this item was reviewed and approved by the Engineering and Operations Committee on August 21, 2007. Following discussion, on MOTION by Withers, seconded and unanimously carried, THE BOARD AUTHORIZED AN INCREASE TO THE FY 2007/08 CAPITAL BUDGET FOR PROJECT 10911 BY \$49,500, FROM \$49,500 TO \$99,000, PROJECT 10913 BY \$2,100, FROM \$5,600 TO \$7,700, PROJECT 20911 BY \$49,500, FROM \$49,500 TO \$99,000, AND PROJECT 30911 BY \$13,200, FROM \$13,200 TO \$26,400; APPROVED EXPENDITURE AUTHORIZATIONS FOR PROJECT 10911 FOR \$94,600, PROJECT 10913 FOR \$4,500, PROJECT 20911 FOR \$94,600 AND PROJECT 30911 FOR \$21,900; FOR A TOTAL OF \$215,600; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH RRM DESIGN GROUP, INC. FOR \$171,934.

EXPANSION OF THE FOOTHILL RANCH ZONE 6A BOOSTER PUMP STATION AND LAKE FOREST ZONE B BOOSTER PUMP STATION RENOVATION – CONSTRUCTION AWARD

The primary purpose of these projects is to upgrade two existing booster pump stations (BPS). The Foothill Zone 6A BPS requires expansion in order to increase pumping capacity and the Lake Forest Zone B BPS requires renovation in order to provide a connection to the Zone D system and because the electrical supply, motor starting systems and pumping systems were no longer economically repairable.

Work at the Foothill Zone 6A BPS includes installation of a new pump/motor, piping and valving modifications, restroom addition, ventilation improvements, acoustical improvements, PLC replacement, and appurtenant electrical and instrumentation improvements. Work at the Lake Forest Zone B BPS includes replacement of three existing pumps/motors, piping and valving modifications, telemetry improvements, new motor control center and switchboard, and appurtenant electrical and instrumentation improvements. On MOTION by Miller, seconded and unanimously carried, THE BOARD APPROVED AN INCREASE TO THE FY 2007/08 CAPITAL BUDGET FOR PROJECT 10239 BY \$18,400, FROM \$712,800 TO \$731,200; DECREASED THE FY 2007/08 CAPITAL BUDGET FOR PROJECT 30047 BY \$329,200, FROM \$1,346,200 TO \$1,017,000; APPROVED EXPENDITURE AUTHORIZATIONS IN THE AMOUNT OF \$585,300 FOR PROJECT 10239 AND IN THE AMOUNT OF \$953,900 FOR PROJECT 30047; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH DEN BOER ENGINEERING AND CONSTRUCTION, INC. IN THE AMOUNT OF \$1,039,100 FOR CONSTRUCTION OF THE EXPANSION OF THE FOOTHILL RANCH ZONE 6A BOOSTER PUMP STATION, PROJECT 10239, AND THE LAKE FOREST ZONE B BOOSTER PUMP STATION RENOVATION, PROJECT 30047.

WATER OPERATIONS SCADA SYSTEM REPLACEMENT IMPLEMENTATION
EXPENDITURE AUTHORIZATION, PROJECT VARIANCES AND BUDGET
INCREASE

The Water Operations SCADA System Replacement Project was awarded by the Board to MSO Technologies Inc. in November, 2006. Staff is requesting a budget increase to purchase the required software licenses. Staff also identified additional scope items beyond the original design assumptions that will enhance the performance of the Water Operations SCADA System and minimize delays during implementation. On MOTION by Swan, seconded and unanimously carried, THE BOARD APPROVED A BUDGET INCREASE TO THE FY 2007/2008 CAPITAL BUDGET FOR PROJECT 10489 FOR \$391,600 FROM \$1,019,800 TO \$1,411,400 AND FOR PROJECT 30489 FOR \$167,900 FROM \$498,000 TO \$665,900; APPROVED VARIANCES NO. 1 AND NO. 2 WITH MSO TECHNOLOGIES IN THE AMOUNTS OF \$50,600 AND \$157,960; AND APPROVED EXPENDITURE AUTHORIZATIONS IN THE AMOUNTS OF \$391,600 FOR PROJECT 10489 AND \$167,900 FOR PROJECT 30489.

DOMESTIC WATER INTERCONNECTIONS – BUDGET AND EXPENDITURE
AUTHORIZATION

Staff has completed the design and solicited construction bids for work required to construct the Domestic Water Interconnection (IRWD Zone 4/LAWD Zone 1) project. On June 11, 2007, the Board approved the construction award for this work to GCI Construction in the amount of \$678,670. This construction project is the second phase of the Domestic Water Interconnections project. This purpose of this project is to interconnect the IRWD and Los Alisos water systems and improve system hydraulics and reliability. On MOTION by Swan, seconded and unanimously carried, THE BOARD APPROVED A BUDGET INCREASE IN THE AMOUNT OF \$940,500 FOR PROJECT 10303 FROM \$1,463,800 TO \$2,404,300; AND APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$974,600 FOR PROJECT 10303.

GENERAL MANAGER'S REPORT

General Manager Jones reported that an Eminent Domain Initiative was being planned for the June 2008 ballot. He said that there was interesting language which affects public agencies which would have implications for the District's well sites. He said that staff will be hearing more from ACWA and will continue to watch this initiative.

He advised there is a workshop being held on October 2 in Los Angeles by the State Board on water policy.

Mr. Jones said that he attended the Urban Water conference last week and that they had an excellent program. He congratulated Executive Director Miller on his efforts. He

placed before each Director a copy of Mr. Timothy Quinn's PowerPoint presentation on the Bay Delta which was presented at the Urban Water Conference.

DIRECTORS' COMMENTS

Director Matheis reported on her attendance at the Urban Water Conference and commented on the successful program.

Director Miller said he appreciated the District's support at the recent conference and thanked Alex Munoz for his IT assistance.

CLOSED SESSION

President Reinhart said that a Closed Session item will be held with legal counsel relative to existing litigation-Government Code Section 54956.9(a); State ex rel. Armenta v. James Jones Company et al.

OPEN SESSION

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

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting at 8:25 p.m.

APPROVED and SIGNED this 10th day of September, 2007.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone