

MINUTES OF REGULAR MEETING – OCTOBER 8, 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 October 8, 2007 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Withers, Miller (arrived at 6:08 p.m.), Swan, Reinhart, and Matheis

Directors Absent: None

Also Present: General Manager Jones, Assistant General Manager Cook, Director of Engineering Heiertz, Director of Finance Cherney, Secretary Bonkowski, Legal Counsel Arneson, Mr. Jim Carter, Mr. Jim Reed, Ms. Janet Wells, and other members of the public and staff.

COMMUNICATIONS TO THE BOARD

Written Communications: Secretary Bonkowski reported that a letter was received today from Hickey & Petchul, LLP, counsel for the Westpark Las Palmas Homeowners Association, relative to construction work at the Harvard Avenue Trunk Sewer Project alleging that the contractor's shoring work caused vibrations to the condominiums located at Coronado and Harvard in Irvine. Mr. Jones said that the contractor has completed the work associated with this method of shoring; however, staff will continue to monitor this work. President Reinhart asked staff to ensure that the contractor is liable for over one year.

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, 5, 7, C-8 and C-9, 10, 13, 14, and 17 are in operation in accordance with the District's annual pumping plan. The District's planned pumping for September is 2,700 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.

Relative to the OCWD annexation of certain IRWD lands, an OCWD Board workshop was held on September 24 to discuss the annexation status and issues. Both Director Miller and

General Manager Jones attended the workshop. Director Miller reported that at the OCWD Board Workshop, OCWD staff and legal counsel were directed to work with IRWD on the Annexation Agreement. A meeting regarding the Annexation Agreement was held between IRWD and OCWD staff and legal counsel on September 27. Some progress was made in resolving outstanding issues in the agreement, and a follow-up meeting has been set for October 11. This was confirmed by Mr. Jones.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None

CONSENT CALENDAR

On MOTION by Matheis, seconded and unanimously carried (Miller absent), CONSENT CALENDAR ITEMS 3 AND 4 WERE APPROVED AS FOLLOWS:

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

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

4. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the September 24, 2007 Regular Meeting be approved as presented.

OTHER BUSINESS

GENERAL MANAGER'S COMMENTS

General Manager Jones reported that NWRI is holding a strategic planning workshop on Wednesday to review its mission, goals and activity list. Mr. Jones reminded the Board of IRWD's strategic planning workshop scheduled for October 26 at 7:30 a.m. He said that on October 19 he is traveling to Sacramento in regard to the allocation-based rate legislative proposal. He said that ACWA is raising issues, and the proposal is being "*pushed back*". He further congratulated Director Swan on his reelection as Vice President to the ACWA Region 10 Board.

DIRECTORS' COMMENTS

Director Matheis reported on a successful community tour held last Saturday with Director of Engineering Heiertz. She said that there were many individuals in attendance from the Santiago County Water District area. She further reported on her attendance at the CSDA conference in Monterey.

Consultant Jim Reed reported that the South County Chamber would be holding an event on November 1, 2007 at the Aliso Viejo Golf Course.

Director Miller arrived at 6:08 p.m.

Jim Carter, former SCWD Board Member, complimented staff on their efforts on the plaque commemorating SCWD.

CLOSED SESSION

Director Reinhart said that the following Closed Sessions would be held with legal counsel this evening relative to: 1) PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (Government Code Section 54957), and 2) INITIATION OF LITIGATION (Government Code Section 54956.9(c) – involving one or more potential cases concerning the annexation to OCWD.

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Withers, Reinhart, Matheis, Swan and Miller present. No action was reported.

ADJOURNMENT

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

APPROVED and SIGNED this 22nd day of October, 2007.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone