

MINUTES OF REGULAR MEETING – MAY 14, 2007

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President Reinhart at 6:10 p.m., May 14, 2007 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Miller (arrived at 6:24 p.m.), Withers, Swan, and Reinhart

Directors Absent: Matheis

Also Present: General Manager Jones, Director of Engineering Heiertz, Treasurer Loomis, Assistant General Manager Cook, Secretary Bonkowski, Legal Counsel Arneson, Ms. Beth Beeman, Mr. Dave Lochridge, Mr. Jim Carter, Ms. Barbara Mourant, Mr. Carl Spangenberg, Ms. Janet Wells, 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, 4, 5, C-8 and C-9, 10, 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 both May and June is 4,200 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. On April 30, 2007, staff received the draft agreement which was discussed at a joint OCWD/IRWD Ad Hoc Committee on May 4, 2007. Staff anticipates the OCWD Board will take action on the EIR and annexation agreement in the spring of 2007. This was confirmed by Mr. Jones.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - None

PRESENTATIONS

SCIENCE FAIR WINNERS

Ms. Marilyn Smith said that on March 7, 2007, the Irvine Unified School District Science Fair was held, and that out of 300 science projects, 50 related to water. Director Miller arrived at 6:24 p.m. Ms. Smith then presented awards to local students for their water-related projects entered in the Fair. She said that IRWD would be donating \$100 to each of the winning students' schools for the purchase of science equipment or books.

ENGINEERING ACHIEVEMENT AWARD FROM CWEA FOR CATS

Mr. Don Roberson, representing the Santa Ana River Basin Section of the California Water Environment Association (CWEA) presented the District with the 2006 Engineering Achievement Award for completion of the Concentrate Treatment System (CATS) at the Deep Aquifer Treatment System (DATS). The CATS system reduces the amount of concentrated wastewater produced at DATS. Director Swan asked staff to send a letter to Harvey Mudd College advising that IRWD received an award for the CATS project (which was based on one of their previous students' projects).

CONSENT CALENDAR

On MOTION by Miller, seconded and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 7 WERE APPROVED AS FOLLOWS:

5. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the April 30, 2007 Board of Directors' meetings be approved as presented.

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

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

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

Recommendation: Authorize the General Manager to execute a Memorandum of Understanding with the Costa Mesa Sanitary District for reimbursement of costs to protect the water pipeline in Anniversary Lane.

REVISED PERSONNEL POLICIES AND PROCEDURES

General Manager Jones said that staff has developed Personnel Policies and Procedures to consistently address personnel-related issues at the District. Mr. Jones said that revisions to any of these policies must be made from time-to-time to keep current with State and federal law, to adopt best practices in administering Human Resource policy, and to correctly reflect practices adopted in conducting District business. Mr. Jones said that staff has reviewed the policies and identified a need for revisions to Policy No. 4 – Violence in the Workplace; Policy No. 9 – Overtime Pay; Policy No. 21 – Jury/Witness Duty; Policy No. 23 – Education and Training; Policy No. 27 – Alcohol and Drugs; Policy No. 28 – Security and Theft; Policy No. 45 – Conflict of Interest; and Policy No. 47 – Sensitive and Non-Public Information. He said that staff was also recommending the addition of Policy No. 50 – Vehicle Use. All policy revisions have been reviewed and approved by special legal counsel as to form and content.

Director Swan said that this item was reviewed and approved by the Finance and Personnel Committee on May 1, 2007. In response to Director Swan's inquiry relative to a change in the automobile allowance, Mr. Jones said that this matter would be reviewed during next year's salary survey. On MOTION by Swan, seconded and unanimously carried, **THE REVISIONS TO POLICIES WERE APPROVED AND THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:**

RESOLUTION NO. 2007 - 13

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH
WATER DISTRICT, RESCINDING RESOLUTION NO. 2006-32 AND
ESTABLISHING REVISED PERSONNEL POLICIES
(FOR POLICY NOS. 4, 9, 21, 23, 27, 28, 45, 47, & 50)

AND

RESCINDING RESOLUTION NO. 1993-41 RELATIVE TO
VEHICLE AND EQUIPMENT POLICY

AND

RESCINDING RESOLUTION NO. 1987-34 RELATIVE TO AUTOMOBILE
AND MILEAGE REIMBURSEMENT ALLOWANCES

SAND CANYON HEADQUARTERS BUILDING ROOF RECOATING

General Manager Jones said that at its April 30, 2007 meeting, the Board authorized the execution of a contract for the purchase and installation of solar panels on the roof of the Sand Canyon Headquarters building. Mr. Jones said the new solar panels are expected to last for at least 20 years; the existing roof only has an estimated five to seven years of life remaining and is currently out of warranty.

Mr. Jones said that staff evaluated the roof replacement and roof life enhancement alternatives, and recommends recoating the existing roof to extend its life. The material supplier has reviewed the specifications of the solar panel installation and has agreed to a

10-year warranty for the recoated roof. In addition, the solar panels are expected to further extend the life of the recoated roof by providing shade.

Following discussion on the bids received, on MOTION by Miller, seconded and unanimously carried, THE BOARD AUTHORIZED THE ADDITION OF PROJECT NOS. 11295, 11351, 21351, AND 31351 TO THE FISCAL YEAR 2006-07 CAPITAL BUDGET FOR \$3,900, \$74,300, \$74,300, AND \$17,100; EXPENDITURE AUTHORIZATIONS WERE APPROVED FOR THE SAME AMOUNTS; AND THE GENERAL MANAGER WAS AUTHORIZED TO EXECUTE A CONSTRUCTION CONTRACT WITH COAST ROOF COMPANY INC. FOR \$143,350 FOR THE RECOATING OF THE SAND CANYON HEADQUARTERS BUILDING ROOF.

GENERAL MANAGER'S REPORT

General Manager Jones reported that the IRWD wireless network access at the Sand Canyon facility was available for unrestricted access.

DIRECTORS' COMMENTS

Director Swan reported on his attendance at the CASA and ACWA conferences. He also said that he attended a MWDOC meeting this evening.

Vice President Miller reported on his attendance at the ACWA conference. He commented on the discussion held regarding SB 59 (Cogdill), and suggested that it be discussed individually or in a coalition forum.

President Reinhart reported on his attendance at the ACWA conference.

CLOSED SESSION

President Reinhart said that two closed session items would be held as follows: 1) Conference with legal counsel relative to anticipated litigation; Government Code Section 54956(b); significant exposure to litigation (one potential case); and 2) Conference with legal counsel relative to anticipated litigation; Government Code Section 54956.9(c); initiation of litigation (one or more potential cases, concerning the annexation to OCWD).

OPEN SESSION

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

ADJOURNMENT

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

APPROVED and SIGNED this 29th day of May, 2007.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone