

MINUTES OF REGULAR MEETING – AUGUST 8, 2005

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President Miller at 6:00 p.m., August 8, 2005 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Miller, Matheis, and Reinhart

Directors Absent: Swan and Withers

Also Present: General Manager Jones, Director of Engineering Heiertz, Treasurer Loomis, Secretary Bonkowski, Legal Counsel Arneson, Assistant General Manager Cook, Controller Slack, Mr. Jim Reed, Mr. Tom Bishop, Mr. Sat Tamaribuchi, Ms. Beth Beeman, and other members of the public and staff.

WRITTEN COMMUNICATIONS: None

ORAL COMMUNICATIONS:

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 as of August 1, 2005, MWD temporarily discontinued the in-lieu replenishment program offered through the OCWD. She said that currently Well Nos. 1, 2, 3, 4, 5, 6, 7, C-8, C-9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 are in operation. Staff has been notified that the in-lieu replenishment program is anticipated to resume in September. 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 Beylik Engineering and Bakersfield Well & Pump, Inc. to construct a total of eight wells. The well drilling is complete and it will take an additional 18 months to complete the wellhead 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.

ITEMS TOO LATE TO BE AGENDIZED - None

WORKSHOP – BIOSOLIDS MANAGEMENT OPTIONS

General Manager Jones reported that the management of biosolids continues to be an important issue for IRWD and for the municipal water and wastewater treatment industry. Mr. Jones said that currently IRWD manages a total of 30.5 MGD of wastewater flows within the District's service area. This wastewater generates nearly 40,000 tons of wet solids annually. Of this total, 5,500 tons of wet solids are managed at the Los Alisos Water Reclamation Plant (LAWRP), and the remaining 34,500 tons of wet solids are managed per IRWD's agreement with OCSD.

Mr. Jones said that biosolids from LAWRP are currently being beneficially reused. He said that this arrangement has been in place for a number of years and is administered through a joint contract with South Orange County Wastewater Authority (SOCWA). This composting facility is scheduled to close in October 2008, and other locations and biosolids disposal options are now being investigated. OCSD manages the biosolids generated at its facilities through a number of diverse beneficial and disposal options. OCSD also has a program to convert biosolids into fertilizer products or to be used as an energy source.

Using a power point presentation, Director of Wastewater Operations Posey and Assistant General Manager Cook provided the Board with a description of the IRWD's biosolids production, reviewed the biosolids management options, summarized the current biosolids management trends, discussed IRWD and OCSD's biosolids management options, and provided staff's recommendation for potential management options.

CONSENT CALENDAR

On MOTION by Matheis, seconded and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 9 WERE APPROVED AS FOLLOWS:

4. MINUTES OF BOARD MEETINGS

Recommendation: That the minutes of the July 25, 2005 Board of Directors' meeting be approved as presented.

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

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

6. VISION INSURANCE COVERAGE FOR CALENDAR YEAR 2005

Recommendation: That the Board authorize the General Manager to extend the contract with Medical Eye Services for vision coverage for a total projected expense for FY 2005/06 of \$45,400.

7. REDUCTION OF RETENTION-RATTLESNAKE RESERVOIR BUTTRESS FILL AND LOMAS VALLEY ZONE 3 RESERVOIR ROUGH GRADING PROJECT

Recommendation: That the Board find that satisfactory progress has been made on the contract, authorize the reduction of retention from 10% to 5% of the contract amount, and release funds in excess of 5% from retention currently held for the Rattlesnake Reservoir Buttress Fill and Lomas Valley Zone 3 Reservoir rough grading, projects 32105 and 10458.

8. REDUCTION OF RETENTION – ARMSTRONG TRUNK SEWER

Recommendation: That the Board find that satisfactory progress has been made on the contract, authorize the reduction of retention from 10% to 5% of the contract amount, and release funds in excess of 5% from retention currently held for the Armstrong Trunk Sewer, project 20207.

9. REDUCTION OF RETENTION – LOMAS VALLEY ZONE 3 RESERVOIR PROJECT

Recommendation: That the Board find that satisfactory progress has been made on the contract, authorize the reduction of retention from 10% to 5% of the contract amount, and release funds in excess of 5% from retention currently held for the Zone 3 Lomas Valley Reservoir, project 10458.

ACTION CALENDAR

SOCWA OUTFALL PUMP STATION CONSTRUCTION CHANGE ORDER PROGRAMMING SERVICES, AND EXPENDITURE AUTHORIZATION

General Manager Jones reported that in March 2005, the construction contract for the SOCWA Outfall Pump Station (located at the Los Alisos Water Reclamation Plant) was awarded by the Board to Margate Construction, Inc. for \$2,736,500. Mr. Jones said that the project consists of construction of the SOCWA Pump Station and ancillary facilities including electrical and mechanical systems, a new electrical service, and new chemical delivery access road.

Director of Engineering Heiertz reported that the electrical building being constructed as part of this project houses equipment for the SOCWA Pump Station and allows space for future Zone A and IRWD Zone B Pump Station electrical equipment. Mr. Heiertz said that staff recommends that the “future” equipment be procured and installed as part of the existing construction project. He said that moving this portion of the work from the future project into the existing contract will resolve potential electrical equipment sizing and layout issues, and that purchasing all the equipment at the same time will ensure that the electrical conduits are located accurately in the building floor slab. Mr. Heiertz said that staff negotiated a contract change order for the additional electrical work with Margate Construction Inc. for \$253,235 and staff believes the cost is reasonable.

Director Miller reported that this item was approved by the Engineering and Operations Committee on July 19, 2005. On MOTION by Reinhart, seconded and unanimously carried, AN EXPENDITURE AUTHORIZATION WAS APPROVED FOR PROJECT 20243 FOR \$367,500; AND THE GENERAL MANAGER WAS AUTHORIZED TO EXECUTE CONTRACT CHANGE ORDER NO. 4 FOR \$253,235 WITH MARGATE CONSTRUCTION, INC.

IRVINE DESALTER PROJECT PRINCIPAL AQUIFER PLANT, SHALLOW
GROUNDWATER UNIT, AND WELLS ET-2 & 78 EXPENDITURE AUTHORIZATION
AND CONSTRUCTION AWARD

Director of Engineering Heiertz reported that design of this project was completed on June 20, 2005, and project plans and specifications were made available to a select list of contractors. Mr. Heiertz said that a bid opening was held on July 26, 2005 with two contractors submitting bids. He said that S.S. Mechanical Corporation was the apparent low bidder with the total bid amount of \$5,129,359. The engineer's estimate was \$5,200,000. He said that this contractor has constructed several District projects, including the Irvine Lake Pipeline Disinfection Facility, and that their work is very satisfactory. On MOTION by Matheis, seconded and unanimously carried, AN EXPENDITURE AUTHORIZATION WAS APPROVED FOR \$3,485,000 FOR PROJECT 30376, AND THE GENERAL MANAGER WAS AUTHORIZED TO EXECUTE A CONTRACT WITH S.S. MECHANICAL CORPORATION FOR \$5,129,359 FOR THE PRINCIPAL AQUIFER PLANT, SHALLOW GROUNDWATER UNIT TREATMENT SITE, AND WELLS ET-2 AND 78.

GENERAL MANAGER'S REPORT

General Manager Jones reminded the Board of two upcoming Ad Hoc Committee meetings this week. He said that MWDOC was holding an Ethics Workshop on August 16 and that the Board was invited to attend. He said that at the next Board meeting, staff would be having a workshop on the Great Park. He reported he was working with MWDOC and OCWD on the South County Reliability Storage which would entail execution of an agreement. He said that this would be the first formal use of groundwater for South County.

DIRECTORS' COMMENTS

Director Reinhart reported on his attendance at a SOCWA Board meeting and noted that their General Manager would be retiring at the end of the year; that Glen Acosta had resigned from the Board; and that he had been appointed to the Executive Committee.

Vice President Matheis reported on her attendance at the RAB meeting for El Toro and at a breakfast meeting with Senator Campbell.

President Miller thanked Mr. Reed and Dr. Bishop for their assistance in initially setting up a meeting with the SCWD Board and staff. He reported on his attendance, along with General Manger Jones and Public Affairs Director Beeman, at a "meet and greet" today with Senator John Campbell.

ADJOURNMENT

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

APPROVED AND SIGNED this 22nd day of August 2005.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel – Bowie, Arneson, Wiles and Giannone