

**MINUTES OF THE  
ENGINEERING AND OPERATIONS  
BOARD OF DIRECTORS  
OF THE  
MOULTON NIGUEL WATER DISTRICT**

**JANUARY 18, 2011**

A regular meeting of the Engineering and Operations Board of the Moulton Niguel Water District (MNWD) was held at the District office, 27500 La Paz Road, Laguna Niguel, California, at 9:00 a.m. on January 18, 2011. The following Directors of the District were present:

**DIRECTORS**

DON FROELICH	Chairman
SCOTT COLTON	Director
RICHARD S. FIORE	President
GARY R. KURTZ	Director
LARRY R. LIZOTTE	Director
BRIAN PROBOLSKY	Director

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL**

ROBERT C. GUMERMAN	General Manager
DAVID D. CAIN	Director of Finance/Treasurer
CHARLES J. ROY	Director of Customer Service
MATT COLLINGS	Director of Engineering
PAT GIANNONE	Bowie, Arneson, Wiles & Giannone
LESLIE GRAY	MNWD
BRAD BRUINGTON	MNWD
RAY MCDOWELL	MNWD
NANCY DESAI	MNWD
EVA PLAJZER	MNWD
PHIL LAWLER	MNWD
MARK MOUNTFORD	MNWD
KELLY WINSOR	MNWD
FRANI BAILEY	MNWD

**PUBLIC MEMBERS**

TOM ROSALES	SOCWA
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Absent was:

LARRY MCKENNEY

Director

Chairman Don Froelich presided at the meeting and Frani Bailey recorded the minutes thereof.

### **ACTION ITEMS**

#### **Item No. 12 – Plant 3A Effluent Transmission Main Status Report**

- **Chairman Froelich requested that Dr. Gumerman arrange for the Board to visit the Plant 3A Effluent Transmission Main.**

#### **Item No. 1 - Approval of Minutes**

Chairman Froelich noted that the minutes of the December 14, 2010 Engineering Board meeting were previously forwarded to those Directors present at the meeting. He noted that he gave Ms. Bailey two typographical corrections, one on Page 6 and one on Page 8, and Ms. Bailey reported that she had noted the corrections and would make the appropriate changes to the minutes.

THEREAFTER, UPON A MOTION DULY MADE BY DIRECTOR KURTZ AND SECONDED BY DIRECTOR LIZOTTE THE MINUTES OF THE DECEMBER 14, 2010 ENGINEERING BOARD MEETING WERE UNANIMOUSLY APPROVED AS CORRECTED.

#### **Item No. 2 - Public Comments**

Chairman Froelich asked if there were any public comments. President Fiore commented that recently Mr. Don Martinson, the former Administrator of the San Juan Basin Authority, passed away. He acknowledged the many years that Mr. Martinson worked with the District and commented that over the years Mr. Martinson made very significant contributions to the District. President Fiore commented that the Board and staff were very sorry to learn of Mr. Martinson's death and would miss him. Dr. Gumerman commented that Mr. Martinson was an engineer's engineer and a gentleman's gentleman and would be dearly missed by all who knew him. Chairman Froelich asked if there were any further public comments. Hearing none, he closed the Public Comments portion of the meeting.

## PRESENTATION ITEMS

### Item No. 3 - Presentation from Tom Rosales, SOCWA General Manager, to Review Various Topics Impacting MNWD at SOCWA

Dr. Gumerman introduced Mr. Tom Rosales, General Manager of SOCWA, and reported that pursuant to the Board's request he invited Mr. Rosales to discuss four items that are SOCWA-related: the current and ongoing project with IRWD on biosolids treatment at the Michelson Water Reclamation Plant, the AWMA Bridge issue, the Sludge Force Main from the Coastal Treatment Plant to the Regional Treatment Plant, and the cogeneration engines and how they relate to the AQMD permitting at the Regional Plant and the J.B. Latham Plant. Dr. Gumerman reported that all four of these issues are substantial and he, Mr. Rosales, and Mr. Matt Collings decided that Mr. Rosales' presentation today would cover the IRWD biosolids project and the AWMA Bridge, and in February or March Mr. Rosales would discuss the remaining two items.

Mr. Rosales began his update with the opportunity SOCWA and its member agencies have to participate in IRWD's biosolids project, which is part of a \$140 million improvement at IRWD's Michelson Plant. He explained that a component of the project involving SOCWA would be an opportunity for SOCWA to transport digested and dewatered biosolids to IRWD's facilities. Mr. Rosales explained SOCWA's strategies and markets for the biosolids at SOCWA, the options and costs, the opportunity at IRWD, the benefits of the project, how SOCWA's participation would be structured, the financials, and the schedule as to how the project would occur. Following Mr. Rosales' presentation a discussion ensued and Mr. Rosales answered the Board members' questions. Dr. Gumerman reported that Mr. Rosales would continue to keep the Board informed about this project.

Mr. Rosales updated the Board on the issue with the AWMA Bridge. He explained that the bridge was constructed in the late 1970's to give AWMA access to the Coastal Treatment Plant, and since then there has been substantial development in the area, including an elementary school and a church, and the bridge serves as access for anyone using the Regional Park. Mr.

Rosales showed the Board an overhead view of the AWMA Bridge, the Mormon Church, the elementary school, and the Coastal Treatment Plant.

Mr. Rosales reported that the useful life of the bridge is an issue, and maintenance and repair on the bridge over the years have been inconsistent. He reported that last year SOCWA hired an engineering firm to do a structural analysis and the conclusion was that the bridge had substantial weathering and structural issues, lacked appropriate safeguards, and would not meet the current design standards. The engineering firm recommended that the gross vehicle weight on the bridge at any one time be limited to 16,000 pounds and that in the long term SOCWA contemplate replacing it.

Mr. Rosales reported that in the mid-1980's there was an effort to convey ownership of the bridge to the Mormon Church; however, it was never formalized. He commented that the County has a strong interest in the bridge due to the traffic accessing the park and would be the appropriate owner of the bridge with arrangements worked out with the other entities that share use of the bridge. Mr. Rosales reported that if conveyance of the bridge to some other owner does not occur, SOCWA at a minimum must develop a maintenance and/or replacement and cost-sharing plan, and Ms. Giannone has been working on a plan to shift some of the liability to the stakeholders group now in place. He reported that the stakeholders are the City of Laguna Niguel, the City of Aliso Viejo, the school district, the Mormon Church, SOCWA, AVCA, and the County; and Directors Lizotte and Probolsky attended a meeting of the stakeholders in December and were able to promote some movement on the issue.

Mr. Rosales reported that SOCWA has been working on some short-term improvements for the bridge and needs to come up with long-term plans and goals. President Fiore asked if SOCWA is using the bridge and Mr. Rosales reported it is not; it uses the other access road. He reported that at the December stakeholders meeting a decision was made to limit access on the bridge coming into the Regional Park and not let vehicles leave the park via the bridge to avoid traffic backing up when classes end for the day at the elementary school. President Fiore asked what compels SOCWA to maintain the bridge and keep it useful if it does not use it and Ms. Giannone explained that SOCWA has an access easement and AWMA built the bridge. She

reported that the bridge has not been accepted into the city or County facilities plan and as near as she can determine it has been AWMA's facility and is addressed that way in joint use agreements with the County. Ms. Giannone reported that the Mormon Church has an access easement and attempts to get the Church to take over the bridge and own and maintain it were unsuccessful.

Mr. Rosales continued his review of the situation with the AWMA Bridge and answered the Board's questions. He commented that this is a work in progress in terms of what to do, but in the interim traffic management is in place and seems to be working well. Mr. Rosales reported that SOCWA will not lose sight of where this needs to go, e.g., a possible change in ownership and a long-term plan for the bridge. Director Probolsky thanked Director Lizotte for his participation in the stakeholders meeting and thanked Mr. Rosales for his flexibility in dealing with this issue. Chairman Froelich thanked Mr. Rosales for his presentation and Mr. Rosales commented that he would update the Board on the other two topics at a later date.

#### Item No. 4 - Staff Presentation Regarding Pump Failure at the North Aliso Creek Lift Station

Dr. Gumerman reported that on January 7, 2011 the District experienced a pump failure at its North Aliso Lift Station. He reported that Mr. Brad Bruington, Mr. Phil Lawler, and Mr. Ray McDowell, all of whom played key roles in the incident, are in attendance to answer the Board members' questions.

Dr. Gumerman reported that at 7:00 p.m. on January 7 the standby crews received an alarm that both pumps at the North Aliso Lift Station had failed. He reported that Larry Ballew, Station Maintenance Crew Chief, called him at 8:07 p.m. to advise him of the situation and he met Larry at the station shortly thereafter. Dr. Gumerman explained that one of the pump casings split, flooding the wet well and the dry well. He showed slides of the lift station at various times during the incident and explained the events that occurred and the steps that were taken to correct the problem between 9:00 p.m. Friday and 9:00 a.m. on Saturday. Dr. Gumerman reported that several pumping trucks pumped wastewater from the lift station and seven VacCons, including those from MNWD, El Toro Water District, and Santa Margarita Water District were used to intercept the flow before it reached the lift station.

Dr. Gumerman reported that after installing the replacement pump, the pump manufacturer wanted to take the failed pump to its factory but he would not let them. He reported that the District is in possession of the pump and is working with Ms. Giannone and the JPIA to determine whether the District can claim any liability on the part of the pump manufacturer. Dr. Gumerman reported that the hero of the day was Larry Ballew, who waded through the wastewater in the dry well and shut off the suction valve.

Dr. Gumerman reported that the lift station was back online shortly after 9:00 a.m. Saturday running one pump, and the pumpers remained at the site all day. He reported that by 8:00 p.m. Saturday the lift station was back in full operation with both pumps operating. Dr. Gumerman reported that both pump motors were sent out to be re-baked, were back at the lift station on Sunday, and one was installed on Monday. He reported that the District spilled approximately 6,700 gallons of wastewater in a planned and controlled release to avoid spilling additional wastewater. Chairman Froelich commented that the staff members were the real heroes in minimizing the impact of the pump failure and the Board concurred. Dr. Gumerman commented that it is usually always the same people who respond to emergencies and staff is trying to figure out a way to reward them. He commented that he cannot give enough credit to the staff, as all of them did an excellent job.

Director Lizotte left at 10:15 a.m.

#### DISCUSSION ITEMS

Mr. Collings introduced Mr. Mark Mountford, who joined the District as an Associate Engineer on Monday. Chairman Froelich welcomed Mr. Mountford to the District.

#### Item No. 5 – Monthly Construction Progress Report

Mr. Collings directed the Board's attention to the Monthly Construction Progress Report and offered to answer any questions the Board members might have. He reported that staff will be filing Notices of Completion on the Terreno/Posada Emergency Connection and the Centralized Irrigation Controllers installed at the remaining District sites. Mr. Collings reported he would provide a further update on the Plant 3A Effluent Transmission Main refurbishment later in the agenda.

Item No. 6 – Budget vs. Cost-to-Date

Mr. Collings reported that there is nothing of note to highlight on the report. He reported that later in the agenda he would discuss some budget modifications to the capital projects that staff is proposing based on project forecasting.

Item No. 7 – Water Supply Reliability Projects’ Status – Monthly Summary Report

Mr. Collings reviewed the Monthly Summary Report and reported that the District received \$1 million in invoices on the Upper Chiquita Reservoir Project. He reported the District has expended a little over \$11 million of the \$17 million on this project. Mr. Collings showed slides of the storm damage at the Upper Chiquita Reservoir construction site and reported that significant damage occurred to the slopes and the grading at the site. He reported that SMWD’s staff is reviewing the impacts on the project costs and a meeting is scheduled within the next two weeks to discuss in more detail what the costs and scheduling effects will be. He offered to answer the Board’s questions on the remainder of the Monthly Summary Report.

Mr. Collings reported that the WSR Projects Estimated Completion Schedule shows the Diemer Plant shutdown scheduled for the end of February. He reported staff will be preparing for the shutdown over the next month or two. Mr. Collings reported there have been no significant changes in the schedule.

Item No. 8 – Kite Hill Pressure Reducing Station, Contract No. 2010.003 – Engineering Services Contract Award

Mr. Collings reported that he provided the Board with a staff report regarding this contract. He explained that the Engineering Department prepared RFP’s to relocate a pressure reducing station located on Alicia Parkway and Kite Hill Drive South. Mr. Collings reported that the pressure reducing station is the primary service feed for the entire Kite Hill community service area. He reported there are two backup sources for Kite Hill; the Niguel Road Pressure Reducing Station, which is tied into the Central Intertie Pipeline, and a high-low interconnection to the 450-zone.

Mr. Collings reported that the pressure reducing station is on a very busy street with difficult access, the vault design is not consistent with current District standards to provide

appropriate maintenance, e.g., access, ventilation, drainage, etc., and the valves are reaching their useful life and will require replacement. He reported that given the difficult location, the critical nature of the facility, the age of the equipment, and the current vault design staff feels it is an appropriate time to relocate the vault to a different location.

Mr. Collings reported that staff received five proposals to prepare the design package and contract documents to relocate the pressure reducing station to a more appropriate location. Chairman Froelich asked if staff already has a location identified for the pressure reducing station and Mr. Collings reported staff has some ideas and has begun evaluating them; however, the engineering firm will confirm the location based on utility conflicts, access, traffic loading, etc.

Mr. Collings reported staff recommends that the Board award the engineering contract to Psomas for an amount not-to-exceed \$47,510 and approve an initial project expense authorization of \$60,000 to move the design project forward. He reported staff will bring this to the Board for formal approval on Thursday.

Item No. 9 – San Joaquin Hills Lift Station Wet Well Refurbishment – Contract No. 2010.035 – Construction Contract Award

Mr. Collings reported that the San Joaquin Hills Lift Station, located in Aliso Viejo just off the 73 Toll Road, serves a large portion of Aliso Viejo. He showed slides of the location of the lift station and reported that the lift station is underground and the building contains the electrical and generator equipment.

Mr. Collings reported that staff prepared contract documents to have the wet well recoated because it is showing signs of pitting and degradation of the existing liner installed in the 1990's. He reported that the District received two bids; one from Socal Pacific Corporation and the other from Sancon Engineering. He reported that staff recommends that the Board award the contract to Socal Pacific Corporation as the lowest responsible bidder in the amount of \$30,150 and approve an initial project expense of \$55,000. Mr. Collings reported that this project is in the budget for this fiscal year with an initial project budget estimate of \$62,000.

Item No. 10 – Capital Improvement Projects – Mid-Year Budget Adjustment

Mr. Collings reported that the staff report and discussion of this item was the result of a discussion at a meeting in October or November at which the Board requested that staff provide updates and make modifications to the capital improvement budget as project forecasting is adjusted for various factors. He reported that staff reviewed the capital projects list to provide a mid-year capital project adjustment and would ask the Board to modify and revise the capital budget to the amount indicated in his staff report, which is more consistent with how staff anticipates the projects will move forward over the rest of this fiscal year.

Mr. Collings reported that the staff report contains a table of the various capital projects, the funds from which the budget would be adjusted, and comments as to the rationale behind each adjustment. He offered to answer the Board's questions on the project budget adjustments and commented that 60% of the budget adjustments are deferrals to future fiscal years, a very small portion was a canceled project, and approximately 37% of the budget adjustment is due to previous fiscal expenses that missed the budgeting in the last fiscal year.

Mr. Collings commented that adjusting the capital improvement projects budget on a mid-year basis as the Board adopts the capital budget would be appropriate, because staff can make more accurate forecasts as the year progresses and the adjustment would more appropriately reflect the money staff anticipates needing for the capital improvement projects during the fiscal year.

Item No. 11 – Pike Road Easement Pipeline Failure and Replacement – Contract Authorization

Mr. Collings reported that on January 12, 2011 a potable water line in an easement from Pike Road to a parking lot of The Hills Hotel on La Paz Road failed. He reported that the line was installed utilizing two easements between private homes, and when it failed it significantly reduced the level of service provided to the hotel, especially fire flow protection. Mr. Collings reported that staff had difficulty isolating the line and has since repaired it, but has not yet charged it as there are concerns about the viability of the residential easement line.

Mr. Collings explained that as staff does with all of the residential lines, it attempted to find a better way to address the service to the area, and in this instance it would make sense for

staff to prepare documents to construct a pipeline at a location off La Paz Road as opposed to between two residences. He explained that the liability would be less, the maintenance and long-term use is much more appropriate, and if the District were to build the pipeline now, this is exactly how it would be done.

Mr. Collings reported that staff would like to initiate contracts as soon as possible to construct the pipeline and get it in service because the City has initiated contracts to improve La Paz Road at the I-5 Freeway and staff is concerned about the risk of recharging the pipeline and the residential concerns with the easement line failure. He reported that he discussed this with Dr. Gumerman and staff recommends that the Board authorize the General Manager to execute the necessary contracts not-to-exceed \$100,000 for the in-house staff design and contract execution for construction of the proposed new pipeline off La Paz Road. Chairman Froelich asked if the \$100,000 includes installing the pipeline and Mr. Collings explained that the \$100,000 would be the construction cost and the Engineering Department would prepare the necessary documents to get construction pricing, obtain several bids, and select the appropriate contractor to build the pipeline. He reported that staff does not anticipate that the cost of constructing the pipeline would exceed \$100,000.

Dr. Gumerman commented that the concern is that with the easement line isolated there is only one source of supply to the hotel. He explained that he and Mr. Collings were concerned that they would have to wait until next month's Board meeting for the Board to approve the construction contract; therefore, he and Mr. Collings are requesting that on Thursday the Board authorize him to spent up to \$100,000 in the event it is possible to begin construction of the pipeline prior to the February Board meeting. Mr. Collings answered the Board's questions regarding this project.

#### INFORMATION ITEMS

##### Item No. 12 – Plant 3A Effluent Transmission Main Status Report

Mr. Collings reported that this project was discussed at the Special Board Meeting on December 28, 2010. He showed slides of the location of the Plant 3A Effluent Transmission Main and the site of the failure. Mr. Collings reported that at the time of the failure staff initiated January 18, 2010

contracts to construct a bypass line that is currently in operation. He reported that the County has repaired the creek and his discussions with the staff at the Flood Control District are that the County will execute its next phase (Phase 7) of the sheet pile installation. He reported that the job will be advertised in April, the contract would be award in July or August, and construction would commence shortly thereafter. Mr. Collings reported that the County does not anticipate doing any additional work at the site prior to initiating the Phase 7 contracts.

Mr. Collings reported that staff is working on the agreement for Board approval to include the removal and replacement of the Transmission Main as part of the County's contract. He reported that the District previously initiated Phases 2 and 3 to remove the 20-inch pipeline and install a 30-inch pipeline and the plan is to do exactly the same thing; however, this would not occur until approximately next spring. He reported staff is working with the County to determine the best approach for the District to install a more permanent pipeline prior to the County initiating its Phase 7 contract. Mr. Collings reported the timing schedule is complicated and staff is still discussing how to address it with the County and Santa Margarita Water District. He reported staff is also trying to determine the best resolution to the temporary bypass now in place.

Mr. Collings presented a summary of the costs anticipated for the temporary bypass and reported that the District has been invoiced \$51,827 to date, which does not include any costs for the potential permanent relocation of the Transmission Main. Mr. Collings reported that Dr. Gumerman authorized an emergency expense of \$100,000 and staff anticipates that the estimated cost will be \$90,000. He reported that he would bring further information to the Board as staff determines what the cost of the permanent relocation will be.

Mr. Collings reported that one of the reasons the District was able to see the Transmission Main is because there is an exposed pipeline crossing across San Juan Creek. He reported that staff is beginning to see some of the concrete encasement and it appears that the Transmission Main is intact but in a precarious state. Mr. Collings reported that given the number of occurrences along the pipeline he thought it would be appropriate to give the Board a more

detailed report next month on the various components of the Plant 3A Effluent Transmission Main and the various issues staff is dealing with.

Chairman Froelich commented that it would be good for the Board to visit the Effluent Transmission Main at some point and Dr. Gumerman suggested that the Board tour the Transmission Main after Mr. Collings' presentation next month. Mr. Collings commented that he would discuss with Dr. Gumerman the most appropriate way to familiarize the Board with the Transmission Main. Dr. Gumerman reported that Mr. Collings drafted a letter to the President of the homeowners' association for President Fiore's signature thanking them for their continued cooperation in this matter and President Fiore reported that he signed the letter. Further discussion ensued regarding the Transmission Main.

Item No. 13 – Update on Proposition 50 Grant Funding

Mr. Collings reported that at a recent meeting the Board requested an update on the status of the Proposition 50 Grant Funding. He reported staff is still looking into this with the Department of Public Health and he spoke with Mr. Dan Ferons at SMWD, who initiated the Proposition 50 Grant with the Department of Public Health and was successful in obtaining \$8 million towards the Water Supply Reliability Projects. Mr. Collings reported that Mr. Ferons indicated that he is looking into this and would update him on where SMWD stands with the Department of Public Health as soon as he knows. He reported that when he receives Mr. Ferons' report he will update the Board on the status of the grant funding.

ADJOURNMENT

There was no further business to come before the Engineering Board and the meeting was adjourned at 10:45 a.m.

Respectfully submitted,

Frani Bailey  
Recording Secretary