

MINUTES OF REGULAR MEETING – NOVEMBER 11, 2013

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:05 p.m. by President Reinhart on November 11, 2013 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None

Also Present: General Manager Cook, Executive Director of Finance Clary, Executive Director of Water Policy Heiertz, Executive Director of Engineering Burton, Executive Director of Operations Sheilds, Director of Water Resources Weghorst, Legal Counsel Hoskinson, Assistant Secretary Savedra, Director of Risk Management and Treasury Jacobson, Director of Public Affairs Beeman, Director of Administrative Services Mossbarger, Assistant Director of Maintenance Drake, Ms. Christine Compton, Mr. Eric Akiyoshi, Mr. Mike Hoolihan, Mr. Alex Aguilar, Mr. Christopher Smithson, Mr. Jim Reed, and other members of the public and staff.

WRITTEN COMMUNICATION: None.

ORAL COMMUNICATION

Mrs. Joan Irvine Smith's assistant addressed the Board of Directors with respect to the Dyer Road Wellfield. She said it was her understanding that currently wells 4, C-8, C-9, 10, 12, 13, 14, 15, 17 and 18 will operate in accordance with the District's annual pumping plan. Wells 1, 2, 3, 5, 6, 7, 11 and 16 will be off. This was confirmed by Mr. Cook, General Manager of the District.

On October 2, 2013, the OCWD Board adopted a resolution approving and authorizing execution of an Annexation Agreement with IRWD, the City of Anaheim, YLWD; certified the final program/project EIR for the OCWD annexation request for IRWD, the City of Anaheim, YLWD; authorized filing of a CEQA Notice of Determination; and authorized transmittal of a resolution to LAFCO and directed staff to prepare the necessary documents and application to LAFCO to annex the requested areas into the District. This was confirmed by Mr. Cook.

On October 14, 2013, the IRWD Board adopted the "Final Program/Project Environmental Impact Report OCWD request by the City of Anaheim, IRWD, and Yorba Linda Water District" as a responsible agency under CEQA and directed staff to file a Notice of Determination, and authorized execution of the "Annexation Agreement between OCWD and IRWD regarding annexation to OCWD". This was confirmed by Mr. Cook.

With respect to the Groundwater Emergency Service Plan, IRWD has an agreement in place with various south Orange County water agencies, MWDOC and OCWD, to produce additional groundwater for use within IRWD and transfer imported water from IRWD to south Orange County in case of emergencies. On October 14 2013, the IRWD Board approved the operating agreement with certain south Orange County water agencies to fund the interconnection facilities needed to affect the emergency transfer of water. MWDOC and OCWD have also approved the operating agreement. This was confirmed by Mr. Cook.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - None.

PRESENTATION

NATIONAL PURCHASING INSTITUTE ACHIEVEMENT OF EXCELLENCE IN PROCUREMENT AWARD

Mr. Alex Aguilar presented the Achievement of Excellence in Procurement Award given to IRWD by the National Purchasing Institute for the 13th consecutive year. The award is achieved by those organizations that demonstrate excellence in procurement by obtaining a high score on a rating of standardized criteria

PUBLIC HEARING

CONSOLIDATION OF COTERMINOUS IMPROVEMENT DISTRICTS 125 AND 225; DETACHMENTS FROM AND ANNEXATIONS TO IMPROVEMENT DISTRICTS 153 AND 253; FORMATION OF IMPROVEMENT DISTRICTS 185 AND 285; AND ADOPTION OF PLANS OF WORKS FOR IMPROVEMENT DISTRICTS 125, 225, 153, 253, 185, AND 285

General Manager Cook reported that at the October 28, 2013 Board meeting, the Board approved several resolutions declaring to annex specified territory to IDs 153 and 253, the formation of ID 185 and 285 along with the adoption of Plan of Works respectively, and ordering the consolidation of coterminous IDs (21 IDs) and adoption of Plans of Works for consolidated ID Nos. 125 and 225.

Mr. Cook said that the purpose of these Public hearings are to allow members of the public and the Board to consider any matters concerning the consolidation of the identified coterminous IDs, the annexation and detachment of specified territories for IDs 153 and 253 and the formation of the water ID 185 and the sewer ID 285. The District Secretary has noticed the hearings pursuant to the requirements of Section 6066 of the California Government Code.

Executive Director of Finance Clary reported that this is the final step in a three stage process to annex specified territory to IDs 153 and 253, the formation of ID 185 and 285 along with the adoption of Plan of Works respectively, and ordering the consolidation of coterminous IDs (21 IDs) and adoption of Plans of Works for consolidated ID Nos. 125 and 225.

President Reinhart declared this to be the time and place for a hearing on:

- The consolidation of coterminous water IDs 102, 105, 106, 121, 130, 135, 140, 161, 182, 184, and 186 into ID 125 and Sewer IDs 2(202), 206, 221, 230, 235, 250, 261, 282, 284, and 286 into ID 225 and the adoption of Plans of Works for the new consolidated IDs;
- The detachment and annexation of specified territories to IDs 153 and 253 and to adopt revised Plans of Works for the water and sewer IDs 153 and 253;
- The formation of ID 185 and adoption of a Plan of Works; and
- The formation of ID 285 and adoption of a Plan of Works.

President Reinhart declared the hearing open and asked the Secretary how the hearing was noticed.

Assistant Secretary Savedra said that the Notice of the time and place of this hearing was published in the Orange County Register on October 28, 2013 and November 4, 2013. A notice was also posted in the District office on October 28, 2013, and on October 29, 2013, notices were posted in three public places within the territories proposed to be annexed or detached.

On MOTION by Swan, seconded and unanimously carried, THE AFFIDAVIT OF POSTING AND THE PROOF OF PUBLICATION PRESENTED BY THE ASSISTANT SECRETARY WAS RECEIVED AND FILED.

President Reinhart requested Legal Counsel to describe the nature of the proceedings.

Legal Counsel Hoskinson said that tonight's public hearing is held to provide all persons interested an opportunity to be heard, to present objections or protests, including any written comments submitted, concerning the District's intended consolidation of certain specified coterminous water and sewer IDs into IDs 125 and 225; annexation and detachment of specified territories into IDs 153 and 253; formation of ID 185; formation of ID 285; and adoption of respective plans of works for each such action.

President Reinhart inquired of the Secretary whether there have been any written communications. Assistant Secretary Savedra said that there were none.

President Reinhart inquired whether there is anyone present who wishes to address the Board concerning the proposed annexations to and detachments from the listed improvement districts. There was no one who wished to be heard.

President Reinhart inquired whether there are any comments or questions from members of the Board of Directors. There were none.

Directors LaMar and Swan recognized staff for their hard work and effort on the completion of this project. On MOTION by Swan, seconded and unanimously carried, THE HEARING WAS CLOSED AND THE FOLLOWING RESOLUTIONS WERE ADOPTED BY TITLE:

RESOLUTION NO. 2013- 43

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE IRVINE RANCH WATER DISTRICT ORDERING
THE CONSOLIDATION OF COTERMINOUS IMPROVEMENT
DISTRICTS AND ADOPTION OF PLANS OF WORKS FOR
CONSOLIDATED IMPROVEMENT DISTRICTS 125 AND 225

RESOLUTION NO. 2013- 44

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IRVINE RANCH WATER DISTRICT ORDERING
THE DETACHMENT OF SPECIFIED TERRITORY FROM,
AND THE ANNEXATION OF SPECIFIED TERRITORY TO
IMPROVEMENT DISTRICT NOS. 153 AND 253
AND ADOPTING REVISED PLANS OF WORKS
FOR SAID IMPROVEMENT DISTRICTS

RESOLUTION NO. 2013- 45

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE IRVINE RANCH WATER DISTRICT ORDERING THE
FORMATION OF IMPROVEMENT DISTRICT NO. 185,
ADOPTING PLAN OF WORKS AND SETTING FORTH
THE ESTIMATED EXPENSE OF CARRYING OUT THE
PURPOSE OF SAID IMPROVEMENT DISTRICT

RESOLUTION NO. 2013- 46

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE IRVINE RANCH WATER DISTRICT ORDERING THE
FORMATION OF IMPROVEMENT DISTRICT NO. 285,
ADOPTING PLAN OF WORKS AND SETTING FORTH
THE ESTIMATED EXPENSE OF CARRYING OUT THE
PURPOSE OF SAID IMPROVEMENT DISTRICT

CONSENT CALENDAR

On MOTION by Swan, seconded and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 12 WERE APPROVED AS FOLLOWS:

5. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the October 28, 2013 Regular Board meeting be approved as presented.

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

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

7. QUITCLAIM OF REAL PROPERTY – CITY OF TUSTIN WATER PIPELINE EASEMENT PER PARCEL MAP NO. 91-265 TUSTIN METROLINK STATION

Recommendation: That the Board adopt the following resolution by title:

RESOLUTION NO. 2013-47

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
THE CITY OF TUSTIN

8. QUITCLAIM OF REAL PROPERTY – FOOTHILL 10/PAD 2, LLC AND CPUS
FOOTHILL PLAZA, LP PORTION OF SEWER PIPELINE EASEMENT PER INST.
NO. 19960563167, O.R. GLENN RANCH ROAD SEWER – FOOTHILL PLAZA

Recommendation: That the Board adopt the following resolution by title:

RESOLUTION NO. 2013-48

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEEDS TO
FOOTHILL 10/PAD 2, LLC and CPUS FOOTHILL PLAZA, LP

9. QUITCLAIM OF REAL PROPERTY IRVINE COMMUNITY DEVELOPMENT
COMPANY LLC WATER AND SEWER PIPELINE AND ACCESS EASEMENT PER
TRACT NO. 17004 ORCHARD HILLS

Recommendation: That the Board adopt the following resolution by title:

RESOLUTION NO. 2013-49

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
IRVINE COMMUNITY DEVELOPMENT COMPANY LLC

10. ORANGE PARK ACRES RESERVOIR DEMOLITION FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Orange Park Acres Reservoir Demolition, project 11416 (1337); 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.

11. 2013 STATE LEGISLATIVE UPDATE

Recommendation: Receive and file.

12. DENTAL INSURANCE COVERAGE FOR CALENDAR YEAR 2014

Recommendation: That the Board authorize the General Manager to extend the existing contract with ACWA/JPIA for Delta DPO Plan A with child and adult orthodontic coverage.

ACTION CALENDAR

ADOPTING REVISED CAPITAL DEFINITIONS

General Manager Cook reported that in early 2011, IRWD undertook a process to review and develop modifications to the District's current capital funding plan. The focus of the review has been to identify issues with the District's existing capital funding plan and to consider adjustments that would improve and update the plan as the District approaches build-out, when its focus will transition to ongoing operations and maintenance activities. The review process has included the input and direction from the Finance and Personnel Committee, the Board, as well as input from interested outside participants which includes representatives from the development community and allows them to provide input as staff develops its updated Long-Term Capital Funding Plan.

Executive Director of Finance Clary reported that the District has undertaken a comprehensive evaluation and study of its long-term financial requirements. She said that IRWD has previously established criteria to designate projects as new capital, replacement or enhancements, for purposes of determining the funding requirements for projects. As one of several components of the actions to be taken based upon IRWD's comprehensive study, IRWD desires to make additional modifications and refinements to the capital definitions.

There being no further discussion, On MOTION by Swan, seconded and unanimously carried, THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2013-50

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE IRVINE RANCH WATER DISTRICT
ADOPTING REVISED CAPITAL DEFINITIONS

PROPOSED CONSUMER PRICE INDEX CHANGES TO SALARY GRADE SCHEDULE
AND EMPLOYEE COST OF LIVING ADJUSTMENTS FOR UNREPRESENTED
EMPLOYEES

General Manager Cook reported that on item No. 14, there was a correction, and staff would like to amend its recommendation as follows: That the board approved a 0.63% increase to salary grade ranges and a 0.63% Cost of Living Adjustment (COLA) for each eligible unrepresented employee, both effective December 1, 2013, and adopt a resolution rescinding Resolution No. 2013-22 and establishing a revised Schedule of Positions and Salary Rate Ranges.

Mr. Cook said that each year staff typically recommends changes to the Salary Grade Schedule and employee Cost of Living Adjustment based on a September to September comparison of the consumer Price Index (CPI) for the Orange-Riverside-Los Angeles All Urban Consumers. Mr. Cook said that the Bureau of Labor Statistics released the CPI for the one year period September 2012 to September 2013 and it reflected a change in CPI from 238.104 to 239.611, or 0.63%. He said that the COLA adjustments typically become effective December 1 of each year, and that this item implements the COLA to be effective December 1, 2013.

Mr. Cook said that due to the on-going negotiations with the IRWD Employees' Association (IRWDEA), the proposed changes to the salary ranges and salaries would only apply to those employees not included in the General Employees' Unit. Changes to salary ranges and salaries for those employees in the represented unit would be applied subsequent to the ratification and approval of a new Memorandum of Understanding between the IRWDEA and the District.

Director Swan reported that this item was reviewed and approved by the Finance and Personnel Committee on November 5, 2013. There being no further discussion, on MOTION by Swan, seconded and unanimously carried, THE BOARD APPROVED A 0.63% INCREASE TO SALARY GRADE RANGES AND A 0.63% COST OF LIVING ADJUSTMENT (COLA) FOR EACH ELIGIBLE UNREPRESENTED EMPLOYEE, BOTH EFFECTIVE DECEMBER 1, 2013, AND ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2012-51

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, RESCINDING
RESOLUTION NO. 2013-22 AND ESTABLISHING A REVISED
SCHEDULE OF POSITIONS AND SALARY RATE RANGES.

UTILITY BILLING SOFTWARE IMPLEMENTATION UPDATE AND CONSULTANT
VARIANCE APPROVAL FOR BACKFLOW TEST TRACKING, CROSS CONNECTION AND
RECYCLED WATER ON-SITE INSPECTIONS

General Manager Cook reported that the District is currently in the seventh month of a 16-month implementation of the Oracle Customer Care and Billing (CC&B) software system, which focuses on replacing the District's legacy utility billing and customer service request system. Staff has identified the need to include additional functions currently supported in the legacy system; backflow test tracking, cross connection inspections, and recycled water on-site inspections.

Director of Administrative Services Mossbarger reported that initially, the backflow test tracking, cross connection inspections, and recycled water on-site inspections were planned to be implemented using a third-party web-based hosted software solution. Staff selected a third-party implementer who after much effort on both sides was not able to provide a workable solution for the District. Mr. Mossbarger said that staff reviewed other alternatives and determined that including the additional functions as part of the CC&B implementation was the most cost effective and efficient approach. He said that Infosys, the District's CC&B implementation consultant, provided a fixed fee quote of \$110,000 to implement the additional functionality.

Mr. Mossbarger said that the utility billing software implementation project was awarded to Infosys in February 2013 in the amount of \$4,975,000. In April, 2013 staff began the process to implement a commercial off-the-shelf Customer Information System (CIS) solution, the Oracle CC&B software system. He said this system is scheduled to go “live” in August 2014, and consists of five major phases: Requirements Analysis; Configuration Design; Configuration Build; Data Conversion; and Testing and Training. Many tasks have been completed or are in process. The overall project is on time and within budget.

Mr. Mossbarger said that staff believes that the solution provided by Infosys is the most effective as it leverages the integrated customer information contained in CC&B and will not require a separate interface to import and export information to another system. The solution also takes advantage of built-in CC&B software functions such as workflow processes that do not require customization. The work effort required by Infosys to implement the additional functions will not impact the project schedule or require a project time extension as the new requirements will be integrated into the above five major phases.

Director Swan reported that this item was reviewed and approved by the Finance and Personnel Committee on November 5, 2013. On MOTION by Swan, seconded and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 2, IN THE AMOUNT OF \$110,000, WITH INFOSYS FOR ADDITIONAL IMPLEMENTATION SERVICES FOR THE UTILITY BILLING SOFTWARE IMPLEMENTATION, PROJECTS 11615 (3236) AND 21615 (3237).**

BAKER WATER TREATMENT FACILITY PARTICIPANT PROJECT FINANCING – EL TORO WATER DISTRICT

General Manager Cook reported that in March 2011, the Finance and Personnel Committee (Committee) approved general terms under which the District would be willing to provide project financing to El Toro Water District (ETWD), in the form of an investment by IRWD, for ETWD’s future capital contribution requirement for capacity in the Baker Water Treatment Facility.

Director of Risk Management and Treasurer Jacobson reported in July 2010, District staff met with representatives from ETWD and Trabuco Canyon Water District (TCWD) to discuss possible options available to provide funding for ETWD’s and TCWD’s respective capital contribution requirements for the new Baker Water Treatment Facility. Based on research and feedback from legal counsel, it was determined that IRWD could finance all, or a portion of, the required capital contributions by making an investment in the respective districts, subject to terms consistent with an equivalent fair market municipal investment. Mr. Jacobson said that the Finance and Personnel Committee approved general fair market investment terms in March 2011, and the ETWD Board subsequently approved the same general financing terms in May 2011. Since that time, District counsel and staff have drafted an Installment Sale Agreement to detail the specific terms of the financing and, based on input from ETWD and its counsel, the final proposed Agreement was completed. On October 22, 2013, the ETWD Board of Directors approved the proposed Installment Sale Agreement between IRWD and ETWD.

Mr. Jacobson said the Agreement includes key investment terms including: Maximum investment amount of \$12.5 million; Investment maturity of up to 20 years from project completion; Interest

rate to be set at the *Bloomberg Fair Value Municipal Index* for A-rated utilities using the 20-year index rate (4.67% as of 10/28/13) on the initial funding date; No rate resets or pre-payment penalty; and Related legal expenses shall be paid by ETWD.

He said the exact amount of the proposed investment has not been determined at this time; however the agreement reflects a maximum investment amount of \$12.5 million. The District's actual investment amount will accumulate as ETWD's progress payments for the Baker project become due and on completion of the project, the total investment amount will be determined and an amortization schedule for payment of principal and interest for the total amount will be finalized. He said that Trabuco Canyon Water District (TCWD) remains interested in this project financing option; however, no further discussions have been held with TCWD since the initial meeting. Should TCWD request similar financing for their portion of the Baker project capacity in the future, staff will notify the Committee and Board separately.

Mr. Jacobson said that in September 2013, staff provided the Committee with a review of the financing terms and an update on ETWD's capital structure, as construction of the Baker facility is approaching. Since the agreed upon general financing terms in 2011, certain changes have occurred including the Baker Plant's project timing and scope, and increased capital contribution requirements for project participants. Additionally, ETWD has recently completed a financing commitment (State Revolving Fund) to fund non-related projects. Staff has reviewed ETWD's debt service coverage projections, which include repayment of the State Revolving Fund loans, and the proposed Installment Sale Agreement. Projected debt service coverage (net revenues available to pay debt service) provided by ETWD for the next five year period ranges from 164% to 322%, with 125% being a typical minimum requirement for similar municipal debt.

Director Swan reported that this item was reviewed and approved by the Finance and Personnel Committee on November 5, 2013. On MOTION by Swan, seconded and unanimously carried, **THE BOARD APPROVED THE INSTALLMENT SALE AGREEMENT BETWEEN EL TORO WATER DISTRICT AND IRWD, AND RECOMMEND APPROVAL OF A MUNICIPAL INVESTMENT WITH A MATURITY GREATER THAN FIVE YEARS.**

ASSOCIATION OF CALIFORNIA WATER AGENCIES' STATEWIDE WATER ACTION PLAN

General Manager Cook reported that the ACWA Board unanimously adopted its Statewide Water Action Plan back in September 2013. ACWA is now looking for its member agencies and other entities to adopt resolutions of support for this plan.

Government Relations Manager Compton reported ACWA assembled a cross-section of its members to develop a plan to address the state's overall water supply reliability and ecosystem health. The members are from throughout the state and represent a diverse set of perspectives on how to improve the state's water supply. Ms. Compton said the result of ACWA's effort was the development of the Statewide Water Action Plan. The ACWA members who participated in the development of the Statewide Water Action Plan were from the Bay area; Sacramento Valley; Delta and Sacramento Region; San Joaquin and King Rivers; Mountain Counties; and West and Southern San Joaquin Valley (southern California).

Ms. Compton said that on September 27, 2013, the ACWA Board of Directors approved the Statewide Water Action Plan, and submitted it to Governor Brown as the water community's recommendations for developing the Administration's water plan for the state. ACWA is now asking its members to adopt a resolution in support of the Statewide Water Action Plan. She said that ACWA's Statewide Water Action Plan outlines six guiding principles. The six principles focus on long-term water supply reliability and improved ecosystem health; a new regulatory approach; use of the best available science; water rights and contract terms; bold actions guided by strong leadership; and the need for state financing of water infrastructure.

The Plan also includes 15 statewide action categories and recommended actions in each category in order to improve water supply reliability, protect water rights, protect the integrity of the state's water system and promote better stewardship. The 15 action categories are: Storage, Water Use Efficiency, Water Supply Assurances, Operational Assurances, Improved Regional Self-Reliance, Headwaters, Water Quality, Bay Delta Conservation Plan, Levee Improvement and Maintenance, Emergency Preparedness and Public Safety, Bay-Delta Water Quality Control Plan, Water Bond, Groundwater Resources, Water Transfers, and Governmental Coordination.

Ms. Compton said that overall, the ACWA Statewide Water Action Plan strives to present a balanced set of recommendations for securing California's water future, and outlines a path forward to improve water supply reliability and water quality in the state.

Director Matheis reported that this item was reviewed and approved by the Water Resources Policy and Communications Committee on November 5, 2013. On MOTION by Matheis, seconded and unanimously carried, THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2012-52

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT IN SUPPORT OF
THE ASSOCIATION OF CALIFORNIA WATER AGENCIES'
STATEWIDE WATER ACTION PLAN

OTHER BUSINESS

GENERAL MANAGER'S REPORT

Mr. Cook reported that he and Director Withers will meet with the City of Santa Ana relative to the Heritage Museum. He stated that Ms. Fiona Sanchez and her staff recently conducted a site visit and identified water efficiency improvements for the museum.

Mr. Cook reported that he and Executive Director of Operations Patrick Sheilds are scheduled to meet with Encina Wastewater Authority relative to Encina's energy and biosolids management programs.

DIRECTORS' COMMENTS

Director Matheis reported that she will attend the ACC-OC Legislative Session Recap on Thursday and a NWRI conference and awards ceremony scheduled this Friday.

Director Withers reported that he attended the Regional Water Quality Control Board Meeting held at the District last Friday. He stated that Chair Carole Beswick is stepping down from her position and a search is underway for her replacement. He stated that he will attend a special OCSD meeting tomorrow morning.

Director Swan reported that he attended a WACO Committee Meeting, a Concordia University seminar, an ACWA meeting, and MWDOC's elected officials members meeting.

Director LaMar reported that he will attend an ACC-OC Legislative Session on Thursday and a NWRI conference and awards ceremony on Friday. He stated that he and Mr. Paul Cook met with SWRCB member Dorene D'Adamo and provided an overview of IRWD. Ms. D'Adamo was also given a brief tour of the Michelson Water Recycling Plant.

Director Reinhart reported that he attended MWDOC's elected officials' members meeting last week.

CLOSED SESSION

President Reinhart said that a Closed Session would be held relative to Conference with Labor Negotiator pursuant to Government Code Section 54957.6 – Agency Designated Representative: President Reinhart Unrepresented Employee: Paul Cook.

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors Swan, Reinhart, LaMar, Withers, and Matheis present. On MOTION by Reinhart, seconded and unanimously carried (5-0 vote), **THE GENERAL MANAGER WAS GRANTED A PERFORMANCE AWARD EQUAL TO 3.23% OF HIS CURRENT BASE SALARY AND A BONUS OF \$7,000.**

ADJOURNMENT

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

APPROVED and SIGNED this 25th day of November, 2013.

President/Vice President
IRVINE RANCH WATER DISTRICT

Secretary/Assistant Secretary
IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone