

EXHIBIT "A"

MINUTES OF REGULAR MEETING – AUGUST 11, 2014

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President LaMar on August 11, 2014 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Reinhart, LaMar and Swan.

Directors Absent: Withers and Matheis.

Also Present: General Manager Cook, Executive Director of Engineering Burton, Executive Director of Finance Clary, Executive Director of Operations Sheilds, Director of Water Resources Sanchez, Director of Risk Management and Treasury Jacobson, Director of Public Affairs Beeman, Director of Human Resources Roney, Director of Administrative Services Mossbarger, Director of Water Operations Lee, Legal Counsel Arneson (by teleconference), Secretary Bonkowski, Ms. Christine Compton, Mr. Alex Aguilar, Mr. Jim Reed, Mr. Bruce Newell 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 1, 2, 4, 6, C-8, C-9, 10, 12, 14, 15, 16, 17 and 18 will operate in accordance with the District's annual pumping plan. Wells 3, 5, 7, 11 and 13 will be off. This was confirmed by Mr. Cook, General Manager of the District.

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

On MOTION by Reinhart, seconded and unanimously carried, CONSENT CALENDAR ITEMS 3 THROUGH 4 WERE APPROVED AS FOLLOWS:

3. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the July 28, 2014 Regular Board meeting be approved as presented.

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

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

ACTION CALENDAR

EXPENSE POLICY REVISIONS

Executive Director of Finance Clary reported that the current Business Expense Reimbursement, Travel, Meeting Compensation and Representation policy was last updated in August 2006. Ms. Clary reported that changes had been incorporated into the revised policy as follows: 1) clarification that District representatives should decline auto liability and collision insurance on car rentals as the District is covered under its existing insurance policy; 2) a suggested increase in the travel-related meal allowance both for the “no receipt” and “receipt” methods to allow for reasonable cost increases since the previous policy update; 3) clarification that Board members will not be reimbursed for mileage associated with attending Committee, Standing or Ad Hoc Committee meetings; and 4) clarification that the District will disclose any expense reimbursements of \$100 per day for each individual charge which is consistent with California law and is currently being included in the monthly Board agenda package as part of the Treasury Reports.

Director Swan made a motion, which was seconded by Director Reinhart to approve the item. Prior to the vote, Director Swan said that this item was reviewed by the Finance and Personnel Committee on August 5, 2014. Director Swan commented on item No. 3 above and recommended a minor change relative to Board members not being reimbursed for mileage associated with attending Committee, Standing or Ad Hoc Committee meetings unless the meeting is located outside the District facility. There being no further comments, the motion was unanimously carried, and **THE BOARD APPROVED THE PROPOSED REVISIONS TO THE DISTRICT’S EXPENSE POLICY AS AMENDED.**

IDENTITY AND PASSWORD MANAGEMENT SOFTWARE IMPLEMENTATION CONSULTANT SELECTION

Director of Administration Mossbarger reported that the implementation of an identity and password management software system will simplify the management of passwords used to access District applications. He said that currently passwords are set up and managed separately for each application and the process is time consuming and prone to missteps, which typically requires staff from the Information Services department to provide assistance. He said that the proposed software will improve and streamline the process for employees to manage and change passwords and will include a self-service feature that will allow employees to reset an expired password without intervention from Information Services staff.

Director Swan said that this item was reviewed and approved by the Finance and Personnel Committee on August 5, 2014. On MOTION by Swan, seconded and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH GDS2, INC. IN THE AMOUNT OF \$90,650 FOR THE IDENTITY AND PASSWORD MANAGEMENT SOFTWARE IMPLEMENTATION PROJECT.**

2014 SEWER REHABILITATION CONSTRUCTION AWARD

General Manager Cook reported that the 2014 Sewer Rehabilitation project will rehabilitate 15 sewer reaches in the cities of Irvine, Lake Forest, and Newport Beach that are cracked or corroded and need repair. Mr. Cook said that periodic closed-circuit television sewer inspection indicated that 73 sewer reaches throughout the District were cracked or corroded and require repair or rehabilitation. He said that over the past year staff has repaired 58 of these sewer reaches and that 15 reaches were not repaired due to their depth and restrictive location in yards between homes and in major arterial streets.

A bid opening was held on July 22, 2014, and bids were received from Institutorm Technologies, Sancon Engineering, and Southwest Pipeline to perform the repair work. The apparent low bidder is Sancon.

In response to Director Swan's comments, staff was asked to submit an item to the Engineering and Operations Committee relative to the San Diego Creek interceptor to discuss an inspection schedule as well as back-up pipeline routes in case of a line break. On MOTION by Reinhart, seconded and unanimously carried, **THE BOARD APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$280,500 FOR PROJECT 21166 (5098) AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SANCON ENGINEERING, INC. IN THE AMOUNT OF \$143,661.25 FOR THE 2014 SEWER REHABILITATION, PROJECT 21166 (5098).**

2014 STATE LEGISLATIVE UPDATE

Government Relations Manager Compton provided an update on the 2014 legislative session, IRWD priorities including the 2014 Water Bond and Groundwater Management Legislation. Following discussion, on MOTION by Swan, **THE BOARD CHANGED IRWD'S POSITION FROM "SEEK AMENDMENTS" TO "SUPPORT IF AMENDED" ON SB 1168 (PAVLEY) AND AB 1739 (DICKINSON), AND AUTHORIZED STAFF, WITH CONCURRENCE OF THE BOARD PRESIDENT, TO MOVE TO A "SUPPORT" POSITION IF THE BILL IS AMENDED TO ADDRESS THE DISTRICT'S CONCERNS.**

GENERAL MANAGER'S REPORT

General Manager Cook updated the Board on the drought emergency regulations noting a conference call with MNWD, EMWD, and the State Board relative to an alternate plan approach. He said that the State Board provided positive feedback on the plan. In response to Director LaMar's comment, General Manager Cook said that he will provide a copy to the Board in his Weekly Report.

Mr. Cook provided an update on the three open seats on the IRWD Board noting that the Registrar of Voters' office was contacted today and staff was informed that they are in the process of qualifying candidates including three incumbents and two candidates.

Mr. Cook said that he will be out of town the week of August 18th and Executive Director of Finance Clary will be Acting General Manager in his absence.

DIRECTORS' COMMENTS

Director Reinhart reported on his attendance at a south county meeting, a WACO monthly meeting, a SOCWA Board meeting and a MWDOC Committee meeting.

Director Swan reported on his attendance at a MWDOC/IRWD meeting and an OCWD Board meeting. He noted his upcoming meetings including ACWA Region 8 to 10, a water management committee meeting, a Chamber of Commerce meeting, a WACO Planning meeting, an ACWA Subcommittee meeting, and a CASA conference.

Director LaMar reported on his attendance at a WACO monthly meeting, a MWDOC Planning and Operations Committee meeting relative to reliability, a Kiwanis Club presentation with Mr. Mark Tettemer, and noted that tomorrow he will be attending a Water Quality Task Force meeting relative to stormwater runoff, and later this week he will be attending an ACWA Regulatory Summit meeting.

Consultant Jim Reed reported on the meetings he attended on behalf of the District.

ADJOURNMENT

There being no further business, President LaMar adjourned the meeting at 6:17 p.m.

APPROVED and SIGNED this 25th day of August, 2014.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone