

MINUTES OF REGULAR MEETING – JULY 25, 2011

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 July 25, 2011 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: Interim General Manager Cook, Senior Director of Finance Cherney, Senior Director of Operations Pedersen, Director of Engineering Burton, Secretary Bonkowski, Treasurer Jacobson, Legal Counsel Arneson, Director of Water Resources Heiertz, Director of Public Affairs Beeman, Director of Wastewater Operations Posey, Mr. Paul Weghorst, Mr. Malcolm Cortez, Mr. Christopher Smithson, Ms. Kirsten McLaughlin, Mr. Mike Hoolihan, Mr. Dean Kirk, Mr. Dan Miller, Mr. Sat Tamaribuchi, Mr. Jim Reed, Mr. Bruce Newell, Mr. Peter Herzog, Mr. Wayne Clark 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 C-8 and C-9 will operate in accordance with the District's annual pumping plan. Wells, 1, 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 16, 17 and 18 will be off. The District's currently planned pumping for July is 2,560 AF. This was confirmed by Mr. Cook, Interim 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 (MWD OC) and Orange County Water District (OCWD), a Notice of Completion was approved by the OCWD Board of Directors on March 19, 2009. Metropolitan Water District has given notice to OCWD to extract 22,000 acre feet in fiscal year 2009/10. The extraction is being performed by agencies that constructed conjunctive use wells under this program. IRWD is not a participant. This was confirmed by Mr. Cook.

With respect to the OCWD annexation of certain IRWD lands, on June 5, 2009, IRWD received a letter from OCWD noting that OCWD has completed the formal responses to comments they previously received on the draft program Environmental Impact Report. The letter further noted that with this task completed, OCWD has exercised its right to terminate the 2004 Memorandum of Understanding (MOU) regarding annexation. OCWD also indicated that due to the lack of progress on the annexation issue, the draft program Environmental Impact Report will not be completed. On June 8, 2009, OCWD completed the Long-Term Facilities Plan which was received and filed by the OCWD Board in July 2009. Staff has been coordinating with the City of Anaheim (Anaheim) and Yorba Linda Water District (YLWD) on their most recent annexation requests and has reinitiated the annexation process with OCWD. IRWD, YLWD and Anaheim

have negotiated a joint MOU with OCWD to process and conduct environmental analysis of the annexation requests. The MOU was approved by the OCWD Board on July 21, 2010. 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. IRWD has 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 both approved the operating agreement. This was confirmed by Mr. Cook.

ITEMS TOO LATE TO BE AGENDIZED: None.

PUBLIC HEARING - SEWER TAXES IN THE NEWPORT NORTH SERVICE AREA

Interim General Manager Cook reported that on June 27, 2011, the Board adopted Rates and Charges for Fiscal Year 2011-12 which included monthly sewer charges of \$16.90 for a residential single family home and \$12.70 per unit for multiple family dwelling units. The Newport North customers will have the same rate, but the method of collection differs in that they pay their sewer fees on an annual basis by means of the County tax rolls.

Mr. Cook said that by adoption of Resolution No. 1987-45, the Board of Directors elected to have sewer charges for certain parcels of land located in the Newport North area collected on the tax roll together with the District's general taxes. That resolution directs the filing of a report containing a description of such parcels and the corresponding charges for each fiscal year. Pursuant to the requirements of the Health and Safety Code of the State of California, a public hearing on the report is required.

President LaMar said this was the time and place for a hearing on the sewer taxes in the Newport North area, and declared the hearing open. He asked the Secretary how the hearing was noticed.

Secretary Bonkowski reported that the report was filed with her on July 5, 2011 and the notice of the filing of the report and the time and place of this hearing was published in the Orange Coast Daily Pilot on July 9 and July 16, 2011. She said that a notice was also posted in the District office on July 5, 2011.

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

President LaMar requested Legal Counsel Arneson to describe the nature of the proceedings.

Legal Counsel Arneson described the nature of the proceedings, saying that the purpose of the hearing was to provide an opportunity for all persons interested or the owner of any parcel within the area to present objections or protests to the report.

President LaMar asked Secretary Bonkowski whether she had received any written communications concerning this matter, and she stated that she had not. President LaMar asked if there was anyone present who wished to address the Board concerning the report and the proposed collection of sewer charges on the tax roll. There was no one present who wished to be heard. He then inquired if there were any comments or questions from members of the Board of Directors. There were none.

On MOTION by Swan, seconded and unanimously carried, THE HEARING WAS CLOSED, AND RESOLUTION NO. 2011-32 WAS ADOPTED BY TITLE AS FOLLOWS:

RESOLUTION NO. 2011-32

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE
RANCH WATER DISTRICT ADOPTING REPORT OF SEWER
CHARGES TO BE COLLECTED ON THE TAX ROLL

PUBLIC HEARING – DETACH PARCELS AND ADOPT PLAN OF WORKS FOR
IMPROVEMENT DISTRICT 256

Interim General Manager Cook reported that the Irvine Ranch Water District's Sewer Improvement District (ID) No. 256 was formed concurrently with the annexation of the former Orange Park Acres (OPA) Mutual Water Company into IRWD. The ID No. 256 boundary was coincident with the area annexed to IRWD. Many properties within this area currently have sewer service and connection fees for these properties are paid to the Orange County Sanitation District (OCSA). Other properties within this area are connected to the City of Orange's sewer system.

Mr. Cook said that in order for the community to vote on the General Obligation (GO) bond authorization for the proposed sewer system and exclude properties already connected to a sewer system from the ID's debt service obligation, the properties already connected to a sewer system will require detachment from ID 256. A Plan of Works (POW) must also be adopted prior to submitting the bond proposition to an election. On July 11, 2011, the IRWD Board adopted resolutions indicating its intent to detach these parcels from ID 256 and its intent to adopt the POW.

Mr. Cook said that staff recommends that these public hearings be delayed until the August 8, 2011 Board meeting as staff is requesting a meeting with the OPA Ad Hoc Committee to review the results of the polling effort conducted to assess the community's support for constructing the sewer system. He said that a preliminary telephone poll indicated that 25% were in favor with 63% against. Director Reinhart made a motion to move forward with the detachment and not adopt a Plan of Works. Following discussion, Director Reinhart withdrew his motion. Without objection President LaMar then opened the hearings and continued them to the next IRWD Board of Directors meeting on August 8, 2011.

CONSENT CALENDAR

On MOTION by Reinhart, 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 July 11, 2011 Regular Board Meeting be approved as presented.

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

Recommendation: Ratify/approve the meetings and events for Steven LaMar, Mary Aileen Matheis, Douglas Reinhart, Peer Swan, and John Withers as delineated above.

7. DISTRICT STRATEGIC MEASURES DASHBOARD

Recommendation: That the Board receive and file the Strategic Measures Dashboard and Information items.

8. JUNE 2011 FINANCIAL REPORTS

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report and the Monthly Interest Rate Swap Summary for June 2011; approve the June 2011 Summary of Wire Transfers and ACH payments in the total amount of \$1,382,933.49; and approve the June 2011 Warrants Nos. 320542 through 321389, Workers' Compensation distributions and voided checks in the total amount of \$25,894,587.84.

9. MANNING WATER TREATMENT PLANT UPGRADES PROJECT BUDGET INCREASE AND FINAL ACCEPTANCE

Recommendation: That the Board authorize a budget increase of \$157,500, from \$810,700 to \$968,200, for project 11161 (1381); approve an Expenditure Authorization for the same amount; and authorize filing of a Notice of Completion and the payment of the retention 35 days after the date of recording the Notice of Completion for the Manning Water Treatment Plant Upgrades project 11161 (1381).

10. PLANNING AREA 39 PHASE 1 – SUPPLEMENTAL REIMBURSEMENT AGREEMENT

Recommendation: That the Board authorize a budget increase for project 20445 (1662) in the amount of \$434,500, from \$276,100 to \$710,600; approve an Expenditure Authorization for project 20445 (1662) for \$710,600; and authorize the General Manager to execute a Supplemental Reimbursement Agreement with Irvine Community Development Company for design and construction of capital facilities for the Planning Area 39, Phase I Development.

CONSENT CALENDAR (CONTINUED)

11. STOCKDALE WEST RANCH PILOT PROJECT CONTRACT CHANGE ORDER NO. 1

Recommendation: That the Board authorize the General Manager to execute Contract Change Order No. 1 with Wood Brothers in the amount of \$44,021.25.

12. WASTEWATER OPERATIONS FISCAL YEAR 2011-12 EXPENDITURE AUTHORIZATION

Recommendation: That the Board approve Expenditure Authorizations for projects 11526 (1688), 21526 (1313), 31526 (1311); for \$60,000 each; project 11505 (1598) for \$42,900; project 11534 (1682), 21534 (1322), 31534 (1428); for \$46,000, \$46,600 and \$40,000 respectively; projects 11512 (1613), 21012 (1274), 30350 (1747); for \$80,000, \$65,000 and \$65,000 respectively; projects 11517 (1636), 21517 (1260), 31517 (1374); for \$16,500, \$11,000 and \$11,000 respectively; projects 11541 (1074), 21541 (1342), 31541 (1439); for \$20,000, \$22,000 and \$15,000 respectively; project 11572 (1235) for \$58,000; project 11573 (1240) for \$58,000; projects 11547 (1098), 21547 (1378); 31547 (1456); for \$33,000, \$22,000 and \$33,000 respectively; projects 11552 (1127), 21552 (1397), 31552 (1476); for \$25,000, \$22,000 and \$25,000 respectively; project 20922 (1175) for \$201,500; project 20943 (1194) for \$165,000; project 20949 (1211) for \$75,900; project 20968 (1232) for \$60,000; project 21002 (1255) for \$62,000; project 20916 (1160) for \$52,000; project 20909 (1142) for \$182,500; and project 21101 (1700) for \$200,200.

ACTION CALENDAR

SETTING CONNECTION FEES AND PROPERTY TAXES FOR FY 2011-12

Using a PowerPoint presentation, Senior Director of Finance Cherney provided an overview of this item. She listed the dates this item was reviewed by the Finance and Personnel Committee, the Board, and building industry stakeholders. Ms. Cherney said that at the July 7 stakeholders meeting, attendees identified concerns about the pace of the economic recovery, particularly in the commercial/industrial sector; voiced general support for a 5% increase, although the commercial/industrial sector prefers a 0% increase; and held a general discussion regarding participation in future modeling. She said that subsequent discussions were held on July 21 with the Irvine Company (TIC), and that on July 23, TIC sent a letter to the District indicating they believed 3.5% was an "appropriate increase". She further said that four primary open assertions by TIC which are under review include: 1) the "50/50" policy of splitting capital funding between developers (connection fees) and property owners (AV taxes) is unsustainable; 2) non-bond funded improvement districts (i.e. 110/210) should be included in the regional split and pay their fair share of new capital costs; 3) substantial growth of new capital programs with additional or new regional projects such as the MWRP expansion, biosolids and water supply projects; has altered capital cost assumptions; and 4) water and sewer demand projections may be overstated.

Ms. Cherney reviewed connection fee impacts by ID for 150/250, 130/230, and 113/213. She then reviewed a modeling matrix for the current fiscal year along with projections up to 2016-17.

In response to Director Swan's comments relative to the limiting dwelling units to 1,000 units for TIC per year, Ms. Cherney said that staff could provide monthly updates to the Finance and Personnel Committee. Director Reinhart recommended a 5% connection fee increase with the understanding that this item be reviewed with the Finance and Personnel Committee mid-year. Following discussion, on MOTION by Reinhart, seconded and unanimously carried, **THE BOARD APPROVED AN INCREASE OF 5% IN CONNECTION FEES AND ADJUSTMENTS IN THE RECOMMENDED AMOUNTS TO SOME AD VALOREM PROPERTY TAX RATES, DIRECTED STAFF TO REVISIT CONNECTION FEES MID-YEAR WITH THE FINANCE AND PERSONNEL COMMITTEE, AND ADOPTED THE FOLLOWING RESOLUTIONS BY TITLE:**

RESOLUTION NO 2011-33

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
RESCINDING RESOLUTION 2011-3 ADOPTING CHANGES TO
CONNECTION FEES AS SET FORTH IN THE SCHEDULE
OF RATES AND CHARGES IN EXHIBIT "B" TO THE RULES
AND REGULATIONS OF IRVINE RANCH WATER DISTRICT
FOR WATER, SEWER, RECYCLED WATER, AND NATURAL
TREATMENT SYSTEM SERVICE

RESOLUTION NO 2011-34

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
ESTABLISHING AD VALOREM TAX REVENUES FOR
FISCAL YEAR 2011/12

2011 STATE LEGISLATIVE UPDATE

Ms. Kirsten McLaughlin reported that Governor Brown signed AB 741 (Huffman) today which authorizes loans to customers for private sewer improvements beginning on January 1, 2012.

Relative to SB 293 (Padilla), Ms. McLaughlin noted the typographical error on the recommendation noting that the bill is 293, versus 294. She said that SB 293 was amended on June 2 to include language prohibiting a public entity from retaining more than 5% of a contract price until final completion and acceptance of a project. Current law allows public entities to withhold at least 5% and up to 10% from payments to a general contractor, pending satisfactory completion of the project. Payment retention is an effective method of keeping contractors on a job until it is fully complete. SB 293 would weaken an important tool needed for safeguarding public money and ensuring that public works projects are completed in a timely and satisfactory manner.

Director Matheis reported that this item was reviewed by the Water Resources Policy and Communications Committee on July 7, 2011. On MOTION by Matheis, seconded and unanimously carried, THE BOARD ADOPTED AN OPPOSE POSITION ON SB 293 (PADILLA).

WELLS 21 AND 22 DESALTER CONTRACT CHANGE ORDER NO. 4

Interim General Manager Cook reported that Wells 21 and 22 Project, located in the City of Tustin, is being constructed under three separate construction contracts: the treatment plant, the offsite pipelines, and the wellhead facilities. Mr. Cook said that the project is receiving 25% matching funds, up to a maximum of \$11,700,000, in Title XVI funding through the United States Bureau of Reclamation (USBR) from the American Recovery and Reinvestment Act of 2009 (ARRA). The design/build (D/B) of the Wells 21 and 22 Desalter Plant was awarded to Pascal & Ludwig Constructors (P&L) in June 2010 in the amount of \$14,152,587. Tetra Tech is serving as the engineering consultant to P&L.

Director of Engineering Burton reported that the initial plant capacity was established at 4,900 gallons per minute (gpm) based upon the flow rates observed during the rehabilitation of Wells 21 and 22 that were completed in 2009. Mr. Burton said that in the fall of 2010, after the design/build project was awarded to P&L, staff determined that the anticipated future expansion capacity of 4,000 gpm was not realistic due to revised future water demands and projected locations of future well sites and new or expanded treatment plants. He said that the future expansion design capacity of the facility was reduced from 4,000 gpm to 2,500 gpm. With this reduction staff revised its approach to accommodating the future expansion from simply reserving space for future facilities to incorporating expandability into the current project. Additionally, the reduction in ultimate capacity provided an opportunity to minimize the footprint needed for the plant even further, and thus allowing for additional frontage property. The design/build team of P&L and Tetra Tech have worked closely with staff to redefine the project criteria and to reconfigure the plant site. The modification has led to an improved site layout that has built-in plant expansion and provides maximum space on the front of the plant site for possible future development. The revised site layout has also resulted in increased design and construction costs and a time extension. Additional project enhancements from Operations and Facilities Departments also have been identified and incorporated into the project.

Mr. Burton said that Contract Change Order No. 4, in the amount of \$1,236,037, covers design and construction changes as a result of the revised site layout in the amount of \$972,776, and project enhancements in the amount of \$263,261. He said that staff has reviewed P&L's cost proposal, negotiated changes, and mutually agreed with P&L on the costs. Additionally, he said that P&L has requested a time extension of 135 calendar days which staff has independently evaluated and found to be acceptable. The time extension includes the additional time for design, submittals, and equipment ordering time extensions to incorporate the equipment, piping, and electrical changes, and revised construction duration. Mr. Burton then reviewed the benefits of the revised site layout.

Director Reinhart reported that this item was reviewed and approved by the Engineering and Operations Committee on July 19, 2011. On MOTION by Reinhart, seconded and unanimously carried, THE BOARD APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$1,298,900 FOR PROJECT 10286, AND APPROVED CONTRACT CHANGE ORDER NO. 4 IN THE AMOUNT OF \$1,236,037 TO PASCAL & LUDWIG CONSTRUCTORS FOR THE WELLS 21 AND 22 DESALTER, PROJECT 10286 (1081).

ORANGE PARK ACRES TRANSMISSION PIPELINE PROJECT CONTRACT CHANGE ORDER NO. 12

Director of Engineering Burton reported that construction of the Orange Park Acres Transmission Pipeline Project was awarded to Leatherwood Construction, Inc. in October 2010 for the amount of \$6,786,397. Mr. Burton said that this project will replace the existing riveted steel pipeline installed in 1929 that has experienced repeated failures, and will improve fire flow and water system pressure to the Orange Park Acres area. He said that Contract Change Order No. 12, in the amount of \$312,939, includes: 1) additional saw-cutting, breaking and removal of significantly thicker asphalt cement pavement sections over 15 street trench segments between Jamboree Road and Orange Park Boulevard during the construction of 20-inch steel transmission pipeline in Chapman Avenue (CR-22-1 thru 15); and 2) dewatering the utility trench and additional labor, equipment and materials for the construction of the 20-inch steel transmission pipeline along Chapman Avenue under wet conditions (CR-27-1 thru 17).

Director Reinhart reported that this item was reviewed and approved by the Engineering and Operations Committee on July 19, 2011. On MOTION by Reinhart, seconded and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 12 WITH LEATHERWOOD CONSTRUCTION, INC. IN THE AMOUNT OF \$312,939 FOR THE ORANGE PARK ACRES TRANSMISSION PIPELINE, PROJECT 11408 (1279).

BAKER WATER TREATMENT PLANT DESIGN VARIANCE NO. 4

Director of Engineering Burton reported that the Baker Water Treatment Plant (WTP) project is currently at the 90% design completion level. Mr. Burton said that throughout the development of the project, various project decisions have resulted in the modification of the original scope of work. The variance with RBF accounts for out-of-scope work resulting from project decisions, new tasks not included in the original scope of work, and an optional task for the design of a new product water pipeline to the South County Pipeline.

Mr. Burton said that since the inception of the project, the product water from the Baker WTP has been contemplated to be delivered to certain project stakeholders through the Allen McColloch Pipeline (AMP). He said that staff has been working with Metropolitan Water District (MWD) and Municipal Water District of Orange County (MWDOC) to finalize the operating Agreement for the Baker “pump-in” to the AMP. Staff has begun investigating the feasibility of constructing a pipeline to deliver Baker product water to the South County Pipeline rather than to the AMP. Staff believes that feasible alternatives have been identified and expects to select a final alignment within the next two months. Once the alignment of the proposed

pipeline is finalized, a cost estimate will be developed and utilized to confirm that this alternative is preferred over the AMP pump-in alternative.

Mr. Burton said that staff requested RBF to include design tasks associated with the new product water delivery pipeline in the proposed variance as an optional task. Obtaining approval for proceeding with this work now will eliminate further schedule delay associated with the approval process for a future variance by each of the Baker Project Committee members should the decision be made to implement the SCP alternative. RBF's proposed scope of work includes utility research, an alternative alignment analysis, geotechnical investigations, topographic surveying, potholing, hydraulic analysis, traffic control plans, and the design of approximately 3,000 linear feet 36-inch pipeline. RBF submitted Variance No. 4 in the amount of \$710,096. The additional design effort associated with out-of scope tasks is \$451,580 while the design effort associated with the optional SCP alternative is \$258,516.

The variance was approved by the Baker Project Committee on July 14, 2011. Each of the Baker Project Committee members is bringing this item to their respective Boards for approval this month.

Director Reinhart said that this item was reviewed by the Engineering and Operations Committee on July 19, 2011. Following discussion, on MOTION by Reinhart, seconded and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 4 IN THE AMOUNT OF \$710,096 WITH RBF CONSULTING FOR THE BAKER WATER TREATMENT PLANT, PROJECT 11218 (1417).**

MICHELSON WATER RECYCLING PLANT PHASE 2 EXPANSION AND FLOOD PROTECTION IMPROVEMENTS – CONTRACT CHANGE ORDER AND EXPENDITURE AUTHORIZATION

Construction of the Michelson Water Recycling Plant (MWRP) Phase 2 Expansion and Flood Protection Improvements project was awarded to Filanc Construction in July 2009 in the amount of \$87,479,450. Contract Change Order (CCO) No. 43 is required as several pipelines, valves, and electrical conduits for this project will be installed within the MWRP Phase 2 Expansion construction area. The sizes of the pipelines range from 8 inches to 14 inches and will allow conveyance of sludge from MWRP to the biosolids area as well as allow the return of treated centrate from the biosolids area to the MWRP primary sedimentation tanks.

On MOTION by Reinhart, seconded and unanimously carried, **THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 43 TO CONSTRUCT BIOSOLIDS PIPELINES IN THE AMOUNT OF \$1,132,283 WITH J. R. FILANC CONSTRUCTION COMPANY FOR THE MICHELSON RECYCLING PLANT PHASE 2 EXPANSION PROJECT 20214 (1599) AND 30214 (1706); AND APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$1,384,000 FOR MWRP BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 20847 (1617).**

GENERAL MANAGER'S REPORT

Interim General Manager Cook reported that IRWD has again received an Award for Excellence from the Government Finance Officers Association for its Comprehensive Annual Financial Report.

Relative to the OCWD/MWDOC discussions on consolidation, Mr. Cook said that OCWD has dissolved its Ad Hoc Committee and will hold future consolidation discussions during the joint OCWD/MWDOC planning meetings.

Mr. Cook reminded the Board that he, staff and Director Matheis will be in Washington, DC for various Congressional meetings relative to Syphon Reservoir funding.

Mr. Cook thanked the Board for its confidence in appointing him to serve as Interim General Manager.

DIRECTORS' COMMENTS

Director Reinhart reported on his attendance at MWDOC's Water Policy Forum.

Director Withers read an email that he had received from Ms. Joyce Crosthwaite thanking Director of Public Affairs Beeman for her presentation today at a Coalition of California LAFCOs. Ms. Crosthwaite said that Ms. Beeman used IRWD as the "poster agency" for how to best use social media effectively. The group said that her presentation was one of the best they had heard at any previous workshops.

Director Swan reported on his attendance at NWRI's Clarke Prize Award event, MWDOC's Water Policy Forum, a meeting with SAWPA's General Manager Cantu relative to an issue in Orange County, and an OCWD Board meeting where they adopted a policy requiring members of the public submit "red cards" before a meeting convenes if they wish to speak on any items on the agenda. He said he does not agree with this policy and suggested that this item be discussed at the Groundwater Producers meeting. Mr. Cook said that he spoke with General Manager Mike Markus today and he confirmed that this item will be discussed at the OCWD Board's Executive Committee meeting. Director Swan further said that he will be attending a Southern California Dialogue meeting this week along with an ACWA Board meeting and tour of EMWD.

Director Matheis reported that she attended NRWI's Clarke Prize Award, a MWDOC Water Policy Forum, a Great Park event, and a Tustin Community Foundation event.

Director LaMar reported that he attended an OCBC Infrastructure meeting, an NWRI Operations Committee meeting, a MWDOC Board meeting, and that he was interviewed by City of Irvine's television crew for a broadcast on its local station.

CLOSED SESSION

President LaMar said that a Closed Session would be held with legal counsel relative to existing litigation – Government Code Section 54956.9(a) – SEMA Construction vs. the City of Tustin and City of Tustin vs. IRWD.

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors Swan, Reinhart, Withes, Matheis and LaMar present. President LaMar said there was no action to report.

ADJOURNMENT

There being no further business, Director LaMar adjourned the Board meeting.

APPROVED and SIGNED this 8th day of August, 2011.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone