

AGENDA  
BOARD OF DIRECTORS OF THE  
IRVINE RANCH WATER DISTRICT

IMPROVEMENT CORPORATION  
SPECIAL MEETING

DECEMBER 11, 2017

**CALL TO ORDER** 5:05 P.M., Irvine Ranch Water District  
Board of Directors Meeting Room  
15600 Sand Canyon Ave., Irvine, Calif.

**ROLL CALL** Directors Matheis, LaMar, Reinhart, Withers and  
President Swan

The Irvine Ranch Water District's Improvement Corporation was formed in August 1986 to assist IRWD in financing water, sewer, and other public improvements. IRWD and the Improvement Corporation entered into an installment sale financing in 1986 relative to certain in-tract facilities of IRWD utilizing the sale of \$60 million in certificates of participation.

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1. APPROVAL OF MINUTES

Recommendation: Approve the minutes of the June 12, 2017 Annual Meeting.

2. APPROVING DISSOLUTION OF IRWD WATER IMPROVEMENT CORPORATION

Recommendation: Adopt a resolution approving dissolution of Corporation.

3. COMMUNICATIONS

4. ADJOURNMENT

NOTICE OF SPECIAL MEETING  
OF BOARD OF DIRECTORS OF THE  
IRVINE RANCH WATER DISTRICT  
IMPROVEMENT CORPORATION

To: Steve LaMar, John Withers, Mary Aileen Matheis, Peer Swan, Members of the Board of Directors of Improvement Corporation.

Pursuant to the call of the President of the Irvine Ranch Water District Improvement Corporation, notice is hereby given that a Special Meeting of the Board of Directors of Improvement Corporation has been called and will be held on December 11, 2017, at the hour of 5:00 p.m. of said day in the Board of Directors' meeting room of the Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California, for the purpose set forth in Exhibit "A" attached hereto and by this reference made a party hereof.

This notice is given in accordance with the bylaws of Improvement Corporation, Inc. and Section 54956 of the California Government Code and Corporate Code Section 5211.



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Peer Swan  
President

MINUTES OF ANNUAL MEETING OF THE  
IRVINE RANCH WATER DISTRICT  
IMPROVEMENT CORPORATION

June 12, 2017

The Annual Meeting of the Irvine Ranch Water District (IRWD) Improvement Corporation was called to order by President Swan at 6:25 p.m. in the Board of Directors meeting room of the principal office of the Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California.

Commissioners Present: LaMar, Matheis, Withers, and President Swan

Commissioners Absent: Reinhart

Also present: Treasurer Jacobson, and Secretary Bonkowski of the Irvine Ranch Water District Improvement Corporation, Legal Counsel Smith, and members of the IRWD staff and the public.

APPROVAL OF MINUTES

On MOTION by Withers, seconded and unanimously carried, THE MINUTES OF THE SPECIAL MEETING ON JANUARY 23, 2017 WERE APPROVED AS PRESENTED.

COMMUNICATIONS - None

ADJOURNMENT

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

Dated: July 12, 2017

\_\_\_\_\_  
Leslie Bonkowski, Secretary

APPROVED and SIGNED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_

\_\_\_\_\_  
President \*

APPROVED AS TO FORM:

\_\_\_\_\_  
Legal Counsel, IRWD Improvement Corporation

\* The Imp. Corp. President is the Vice President of IRWD and the Vice President of the Imp. Corp. is the President of IRWD.



December 11, 2017  
Prepared by: L. Bonkowski  
Submitted by: C. Clary  
Approved by: Paul Cook

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cc

APPROVING DISSOLUTION OF IRWD IMPROVEMENT CORPORATION

SUMMARY:

The Irvine Ranch Water District Improvement Corporation (Corporation) was formed as a non-profit public benefit corporation for the purposes of rendering financial assistance for water, sewer and other improvements to the Irvine Ranch Water District, a California Water District. There has been no activity in the Corporation since fiscal year 2010. State tax regulations require that a Corporation must be active and operating to retain their tax exempt status. Staff has determined that the Corporation is no longer necessary and recommends taking such actions to dissolve this entity which requires the adoption of a resolution. Staff will be submitting the same action at the Irvine Ranch Water District's Board meeting on December 11, 2017.

BACKGROUND:

In August of 1986, the Corporation was formed for the purpose of financing the Irvine Ranch Water District 1986 Certificates of Participation which included a resolution between the two entities approving a trust indenture, installment sale agreement and assignment agreement, and directing certain actions with respect thereto. The 1986 Certificates of Participation were refunded and retired in 2010.

Staff has reviewed the need to continue this Corporation, and has determined that it is in the best interest to dissolve this entity. A resolution has been prepared to carry out these transactions as provided in Exhibit A. Staff also reviewed the two deeds of the Corporation which have been granted back to the Irvine Ranch Water District.

An agenda item will be submitted to the Irvine Ranch Water District's Board on December 11, 2017 to approve the dissolution.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

None.

RECOMMENDATION:

THAT THE FOLLOWING RESOLUTION BE ADOPTED BY TITLE:

RESOLUTION NO. 2017-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
IRVINE RANCH WATER DISTRICT IMPROVEMENT  
CORPORATION APPROVING DISSOLUTION

LIST OF EXHIBITS:

Exhibit "A" – Resolution

EXHIBIT "A"

RESOLUTION NO. 2017-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
IRVINE RANCH WATER DISTRICT IMPROVEMENT CORPORATION  
APPROVING DISSOLUTION

WHEREAS, the Irvine Ranch Water District Improvement Corporation (the "Corporation") and the Irvine Ranch Water District ("IRWD") entered into a trust indenture, installment sale agreement and assignment agreement authorizing certain actions, including the sale of in-tract facilities by IRWD to the Corporation dated August 11, 1986, all for the purpose of forming the Irvine Ranch Water District Improvement Corporation, a domestic nonprofit corporation of the Internal Revenue Code of 1954; and

WHEREAS, the Corporation was duly formed; and

WHEREAS, the two deeds, 86-387401 and 86-387402, recorded on August 27, 1986 which were granted to the Corporation have been granted back to the Irvine Ranch Water District; and

WHEREAS, this Board of Directors deems that the Corporation is no longer needed for the purpose for rendering financial assistance, and dissolution is recommended due to its inactivity. The Bylaws of the Corporation under Section 31 provide for the dissolution by a vote of the Board of Directors, and upon dissolution, any assets discovered of the Corporation are to be distributed to the Irvine Ranch Water District.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT IMPROVEMENT CORPORATION RESOLVES AND DETERMINES AS FOLLOWS:

Section 1. The Irvine Ranch Water District Improvement Corporation hereby votes for and approves the dissolution of the Corporation and the cancellation of its articles of organization. IRWD waives notice of such matters.

Section 2. IRWD will assume the remaining tax liability, if any, of the Corporation. IRWD will also assume or guarantee payment of all of the outstanding debts and liabilities, if any, of the Corporation.

Section 3. The President, Treasurer and Secretary and each other officer of the IRWD Improvement Corporation are authorized and directed, on behalf of the IRWD, or on behalf of IRWD as a member of the Corporation, to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the resolution.

ADOPTED, SIGNED and APPROVED this 11<sup>th</sup> day of December 2017.

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President, IRVINE RANCH WATER  
DISTRICT IMPROVEMENT CORPORATION  
and the Board of Directors thereof

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Secretary, IRVINE RANCH WATER  
DISTRICT IMPROVEMENT CORPORATION  
and the Board of Directors thereof

APPROVED AS TO FORM:

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Alfred Smith, Legal Counsel – Nossaman LLP