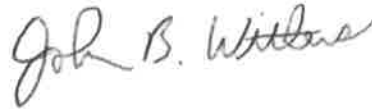


NOTICE OF SPECIAL MEETING  
OF BOARD OF DIRECTORS OF  
BARDEEN PARTNERS, INC.

To: Peer Swan, Doug Reinhart, Steve LaMar, and Mary Aileen Matheis, Members of the Board of Directors of Bardeen Partners, Inc.

Pursuant to the call of the President of Bardeen Partners, Inc., notice is hereby given that a Special Meeting of the Board of Directors of Bardeen Partners, Inc. has been called and will be held on Monday, June 24, 2019 at the hour of 5:30 p.m. 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 part hereof.

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



---

John Withers  
President

## AGENDA

BOARD OF DIRECTORS OF  
BARDEEN PARTNERS, INC.

SPECIAL ANNUAL MEETING

JUNE 24, 2019

**CALL TO ORDER** 5:30 p.m. Irvine Ranch Water District  
Board of Directors Meeting Room  
15600 Sand Canyon Ave., Irvine, Calif.

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

Bardeen Partners, Inc. was formed in March 1991 to act on behalf of IRWD in matching its real estate investments, and to segregate such investments from other activities of IRWD.

---

1. ANNUAL MEETING

Recommendation: Deem this meeting of June 24, 2019 to be the annual meeting of the Board of Directors for 2019 only in lieu of the annual meeting normally held on the second Monday in June pursuant to Resolution No. 2018-1.

2. APPROVAL OF MINUTES

Recommendation: Approve the minutes of Special Meeting of February 11, 2019.

3. ELECTION OF OFFICERS

Section 22 of the Bylaws state the officers of the Board shall be elected annually. Current officers are John Withers as President and Steve LaMar as Vice President.

Recommendation: Elect a President and Vice President.

4. APPOINTMENT OF A GENERAL MANAGER AND DELEGATION OF AUTHORITY TO THE APPOINTED GENERAL MANAGER

Recommendation: That the Board adopt Resolution 2019-1 by title appointing a General Manager and authorizing resolution of certain claims and legal actions.

5. AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT AND BARDEEN PARTNERS, INC. FOR SERVICES RELATED TO REAL ESTATE INVESTMENT PROGRAM

Recommendation: That the Board approve Amendment No. 2 to the Agreement Between Irvine Ranch Water District And Bardeen Partners, Inc. for Services Related To Real Estate Investment Program.

6. ORAL COMMUNICATIONS

7. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION-  
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2).  
(One (1) potential case; claim on file with the Corporation)

8. OPEN SESSION

9. ADJOURNMENT

MINUTES OF SPECIAL MEETING OF  
BARDEEN PARTNERS, INC.

FEBRUARY 11, 2019

The special meeting of the Board of Directors of the Bardeen Partners, Inc. was called to order by President Withers at 6:33 p.m. in the Board Room of the principal office of the Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None

Also Present: Secretary Bonkowski of Bardeen Partners, Inc., and Legal Counsel Collins and members of the IRWD staff and public.

APPROVAL OF MINUTES

On MOTION by Swan, seconded and unanimously carried, THE JUNE 25, 2018 MINUTES OF THE ADJOURNED REGULAR ANNUAL MEETING WERE APPROVED AS PRESENTED.

STATE AND FEDERAL EXEMPT ORGANIZATION TAX FILING

On MOTION by Swan, seconded and unanimously carried, THE STATE AND FEDERAL EXEMPT ORGANIZATIONAL FILINGS FOR THE BARDEEN PARTNERS, INC. FOR CALENDAR YEAR 2017 WERE APPROVED.

ORAL COMMUNICATIONS – None

ADJOURNMENT

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


APPROVED and SIGNED this 24th day of June, 2019.

\_\_\_\_\_  
John Withers, President

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Legal Counsel, Bardeen Partners, Inc.

June 24, 2019  
Prepared and  
Submitted by: C. Compton  
Approved by: Paul A. Cook 

ACTION CALENDAR

APPOINTMENT OF A GENERAL MANAGER AND  
DELEGATION OF AUTHORITY TO THE APPOINTED GENERAL MANAGER

SUMMARY:

The bylaws for Bardeen Partners, Inc. (the “Corporation”) provides that the Board of Directors may appoint or elect officers to carry out the business of the Corporation. The Board of Directors has appointed a Treasurer and Assistant Treasurer, and authorized them to carry out certain activities on behalf of the Corporation; however, the Board has not appointed a General Manager for Bardeen Partners, Inc.

Staff recommends that the Board appoint the General Manager of IRWD to serve concurrently as the General Manager of Bardeen Partners, Inc., and authorize him to act on behalf of the Corporation with the same level of authority as he does for IRWD.

BACKGROUND:

Recently, staff and legal counsel reviewed the bylaws and governing documents for Bardeen Partners, Inc. The review revealed that the Board of Directors had not appointed a General Manager for Bardeen Partners, Inc. or delegated authority to another officer to act on behalf of the Corporation, as is typically done so that the normal day-to-day activities of a corporation can be carried out. The Board of Directors has delegated some authority to the Treasurer for certain property management activities.

Staff recommends that the Board adopt the proposed resolution, which is attached as Exhibit “A”, appointing the General Manager of the Irvine Ranch Water District to serve concurrently as the General Manager of Bardeen Partners, Inc. The proposed resolution, if adopted, would grant the General Manager of Bardeen Partners, Inc. all of the powers and delegation of authorities granted to the IRWD General Manager, subject to the California Nonprofit Corporation Law and the articles of incorporation and bylaws of the Corporation, for Bardeen Partners, Inc. It also grants the General Manager the authority to settle administrative claims and legal actions up to \$50,000 per incident.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

Action Calendar: Appointment of a General Manager and Delegation of Authority to the  
Appointed General Manager  
June 24, 2019  
Page 2

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2019-1

RESOLUTION OF THE BOARD OF DIRECTORS OF BARDEEN PARTNERS, INC.  
APPOINTING A GENERAL MANAGER AND AUTHORIZING RESOLUTION OF  
CERTAIN CLAIMS AND LEGAL ACTIONS

LIST OF EXHIBITS:

Exhibit "A" – Proposed Resolution Appointing a General Manager and Authorizing Resolution  
of Certain Claims and Legal Actions

# EXHIBIT "A"

## RESOLUTION NO. 2019-1

### RESOLUTION OF THE BOARD OF DIRECTORS OF BARDEEN PARTNERS, INC. APPOINTING A GENERAL MANAGER AND AUTHORIZING RESOLUTION OF CERTAIN CLAIMS AND LEGAL ACTIONS

Pursuant to Section V, Paragraphs 21 and 23 of the Bylaws (the "Bylaws") of Bardeen Partners, Inc. (the "Corporation"), the Board of Directors may appoint or elect officers as the business of the Corporation may require.

The Board has determined that it is in the best interest of the Corporation to appoint the General Manager of Irvine Ranch Water District ("IRWD") to serve concurrently as the General Manager of the Corporation, to provide for continuity of operations between IRWD and the Corporation.

Therefore, the Board of Directors of Bardeen Partners, Inc. DOES HEREBY RESOLVE, DETERMINE and ORDER as follows:

Section 1. The General Manager of IRWD is hereby appointed the General Manager of the Corporation, ex officio. The General Manager, subject to the California Nonprofit Corporation Law, the articles of incorporation of the Corporation, the Bylaws, and the control of the Board of Directors, shall have all the powers to act on behalf of the Corporation as he does on behalf of IRWD. IRWD's delegations of authority to its General Manager, as they may be amended from time to time, are incorporated in this Resolution by reference and will apply equally to the General Manager's powers with respect to management of the Corporation.

Section 2. The General Manager may engage counsel for the general representation of the Corporation and to defend any claims or legal actions brought against the Corporation. Any legal fees, costs, and settlement payments shall be paid out of the general funds of the Corporation.

Section 3. The functions of the Board of Directors with respect to administrative claims presented to the Corporation shall be performed by the General Manager, or his designee. The General Manager, or his designee, in exchange for a release and/or any other reasonably prudent consideration, may allow, compromise or settle any administrative claims or legal actions brought against the Corporation if the amount to be paid pursuant to the allowance, compromise or settlement is not greater than \$50,000 per incident. Allowances, compromises and settlements greater than \$50,000 per incident must be presented to the Board of Directors for consideration.

Section 4. The General Manager is hereby authorized, empowered and directed to take all such further action and to execute and deliver all such further documents, agreements, certificates or other instruments, in the name and on behalf of the Corporation, that are necessary, proper, appropriate or advisable in order to fully carry out the intent and accomplish the purposes of this resolution, and to pay such expenses from the Corporation, as in his or her

judgment shall be necessary or advisable in order to fully carry out the intent and accomplish the purpose of this resolution, or the doing by him of any other action in connection with the carrying out of this resolution, shall conclusively establish his authority from the Corporation and the acceptance, approval and confirmation by the Corporation of the document(s), agreement(s), certificate(s) or instrument(s) so executed and the action(s) so taken.

Section 5. Any lawful acts of the General Manager, or the officers in furtherance of this resolution, which acts would have been authorized by this resolution except that such acts were taken, for and on behalf of the Corporation, prior to the adoption of this resolution, are hereby severally ratified, accepted, approved and confirmed in all respects as acts in the name of the Corporation.

ADOPTED, SIGNED AND APPROVED June 24, 2019.


\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:  
LEWIS BRISBOIS BISGAARD & SMITH LLP

By: \_\_\_\_\_  
General Counsel



June 24, 2019  
Prepared and  
submitted by: C. Compton  
Approved by: Paul A. Cook 

## ACTION CALENDAR

### AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT AND BARDEEN PARTNERS, INC., FOR SERVICES RELATED TO REAL ESTATE INVESTMENT PROGRAM

#### SUMMARY:

Recently, staff and legal counsel reviewed the bylaws, governing documents and agreements for Bardeen Partners, Inc. Two of documents reviewed were the "Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program" (the "Agreement"), and the first amendment to the Agreement ("Amendment No. 1"). The review revealed the Agreement needed to be amended to reflect the current District committee assigned to oversee IRWD's real estate investments.

Staff recommends that the Board of Directors approve Amendment No. 2 to the Agreement replacing IRWD's Real Estate Investment Committee, which no longer exists, with IRWD's Finance and Personnel Committee—the committee with oversight of the District's real estate investments.

#### BACKGROUND:

In 1991, IRWD and Bardeen Partners, Inc. entered into an agreement for services related to a real estate investment program. The agreement, entitled "Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program," and the first amendment to the Agreement calls for Bardeen Partners, Inc. to provide IRWD with services related to the District's real estate investment program. The Agreement, as amended by Amendment No. 1, is attached as Exhibit "A"

The Agreement provides that Bardeen Partners, Inc. will provide services as requested by "IRWD's Real Estate Investment Committee or any ad hoc committee whose assigned subject matter concerns a real estate investment." IRWD's Real Estate Investment Committee no longer exists and now the IRWD Finance and Personnel Committee has authority to oversee issues related to IRWD's real estate investments.

Staff recommends that the Board of Directors approve Amendment No. 2 to the Agreement replacing IRWD's Real Estate Investment Committee with the IRWD's Finance and Personnel Committee for purposes of carrying out the Agreement. A copy of proposed Amendment No. 2 is attached as Exhibit "B".

#### FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

THAT THE BOARD APPROVE AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT AND BARDEEN PARTNERS, INC. FOR SERVICES RELATED TO REAL ESTATE INVESTMENT PROGRAM

LIST OF EXHIBITS:

- Exhibit "A" – "Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program," as amended by Amendment No. 1
- Exhibit "B" – Proposed Amendment No. 2 to "Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program"

EXHIBIT "A"

AGREEMENT BETWEEN IRVINE RANCH  
WATER DISTRICT AND BARDEEN PARTNERS, INC.,  
FOR SERVICES RELATED TO REAL ESTATE  
INVESTMENT PROGRAM

This Agreement is made and entered into as of this  
25th day of March, 1991, by and between  
Bardeen Partners, Inc., a nonprofit public benefit corporation  
duly organized and existing under the laws of the State of  
California ("Corporation"), and Irvine Ranch Water District, a  
California water district duly organized and existing pursuant to  
Section 34000 et seq. of the California Water Code ("IRWD").

R E C I T A L S:

A. Pursuant to Section 35912 of the California Water Code,  
IRWD may invest or reinvest its Replacement Reserve Fund in real  
estate and interests therein and improvements thereon, located  
within the County of Orange, as an investment for the production  
of income, provided that the total aggregate amount of those  
investments shall not exceed 30% of IRWD's total Replacement  
Reserve Fund.

B. By adoption of Resolution No. 1990-30, the Board of  
Directors of IRWD has established policies for implementation of  
a real estate investment program in accordance with the Water  
Code Section 35912.

C. Pursuant to such policies, IRWD desires to enter into an agreement to obtain services related to property acquisition, development, operation and disposition, portfolio management and other activities consistent with the real estate investment program.

D. Corporation was formed for purposes including the rendering of financial assistance to IRWD, the acquisition by lease, purchase or otherwise of real or personal property or any interest therein and the making of any part or all of such real or personal property available to or for the benefit of IRWD.

E. IRWD desires to enter into this Agreement for the purpose of obtaining Corporation's services on IRWD's behalf with respect to investments under its real estate investment program, and Corporation, in furtherance of its purposes, desires to provide such services and enter into this Agreement with IRWD.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Corporation shall provide services related to property acquisition, development, operation and disposition, portfolio management and other activities as may be requested from time to time by the Real Estate Investment Committee of the Board of Directors of IRWD and approved by the Board of Directors of Corporation. Such services include, but are not limited to, the execution and delivery by Corporation of any and all

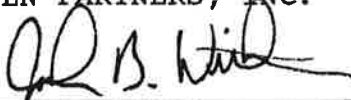
documents and instruments and the taking of all actions and doing all things necessary or proper to carry out such real estate investment transactions.


Section 2. IRWD agrees to promptly reimburse Corporation for any expenses which may be incurred by Corporation in the carrying out of its obligations under this Agreement.

Section 3. Corporation agrees that any earnings, income or profits which it may be entitled to receive through transactions entered into under this Agreement are received for IRWD and shall be promptly delivered to IRWD.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.


BARDEEN PARTNERS, INC.

By   
President

By   
Secretary

IRVINE RANCH WATER DISTRICT

By   
President

By   
Secretary

AMENDMENT NO. 1 TO  
AGREEMENT BETWEEN IRVINE RANCH WATER  
DISTRICT AND BARDEEN PARTNERS, INC.,  
FOR SERVICES RELATED TO REAL  
ESTATE INVESTMENT PROGRAM

THIS AMENDMENT NO. 1 TO AGREEMENT FOR SERVICES RELATED TO REAL ESTATE INVESTMENT PROGRAM, dated as of April 20, 1998, is entered into by and between BARDEEN PARTNERS, INC., a non-profit public benefit corporation duly organized and existing under the laws of the State of California ("Corporation") and the IRVINE RANCH WATER DISTRICT, a California water district duly organized and existing pursuant to Section 34000 et seq. of the California Water Code ("IRWD").

R E C I T A L S:

A. Corporation and IRWD have entered into that certain agreement entitled "Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program," dated as of March 25, 1991 (the "Agreement").

B. Under Section 1 of the Agreement, Corporation has agreed to provide services related to property acquisition, development, operation and disposition, portfolio management and other activities as may be requested from time to time by the Real Estate Investment Committee of the Board of Directors of IRWD and approved by the Board of Directors of Corporation.

C. Corporation and IRWD desire to amend the Agreement to provide that such services shall also include services requested by an ad hoc committee of the IRWD Board of Directors.

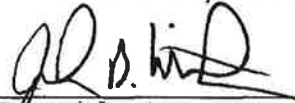
NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1 of the Agreement is hereby amended to read as follows:

"Section 1. Corporation shall provide services related to property acquisition, development, operation and disposition, portfolio management and other activities as may be requested from time to time by the Real Estate Investment Committee of the Board of Directors of IRWD, or any ad hoc committee of the Board of Directors of IRWD whose assigned subject matter concerns a real estate investment, and approved by the Board of Directors of Corporation. Such services include, but are not limited to, the execution and delivery by Corporation of any and all documents and instruments and the taking of all actions and doing all things necessary or proper to carry out such real estate investment transactions."

IN WITNESS WHEREOF, this Amendment No. 1 has been executed by Corporation and IRWD as of the date first hereinabove written.

Corporation  
BARDEEN PARTNERS, INC.

By   
President

By   
Secretary

IRWD  
IRVINE RANCH WATER DISTRICT

By   
President

By   
Secretary



## EXHIBIT “B”

### AMENDMENT NO. 2 TO AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT AND BARDEEN PARTNERS, INC. FOR SERVICES RELATED TO REAL ESTATE INVESTMENT PROGRAM

This Amendment No. 2 to Agreement for Services Related to Real Estate Investment Program (“**Amendment No. 2**”), dated as of June 24, 2019, is between Bardeen Partners, Inc., a non-profit public benefit corporation duly organized and existing under the laws of the State of California (“**Corporation**”) and the Irvine Ranch Water District, a California water district (“**IRWD**”). IRWD and Corporation are each a “**Party**” and together are the “**Parties.**”

A. The Parties previously entered into an *Agreement Between Irvine Ranch Water District and Bardeen Partners, Inc., for Services Related to Real Estate Investment Program* dated March 25, 1991 (“**Agreement**”), which was amended by an *Amendment No. 1* dated April 20, 1998.

B. Under Section 1 of the Agreement, as amended, the Corporation provides services as requested by IRWD’s Real Estate Investment Committee or any ad hoc committee whose assigned subject matter concerns a real estate investment.

C. Since 1998, the Real Estate Investment Committee of the Board of Directors of IRWD has been disbanded. IRWD’s Finance and Personnel Committee currently oversees issues related to real estate investment.

D. The Parties intend by this Amendment No. 2 to provide that IRWD’s Finance and Personnel Committee, or any other successor standing or ad hoc committee of IRWD that is charged with overseeing a real estate investment, may request services of the Corporation.

E. In addition, the Parties intend to clarify that in any other agreement between or involving the Parties, that any mention of the Real Estate Investment Committee will be interpreted to mean the Finance and Personnel Committee or any successor standing committee.

Therefore, the Parties agree as follows:

1. Section 1 of the Agreement is hereby amended to read as follows:

“Corporation shall provide services related to property acquisition, development, operation and disposition, and portfolio management, and shall perform other services related to any other activities as may be requested from time to time by the Finance and Personnel Committee of the Board of Directors of IRWD or any successor standing committee or any ad hoc committee of IRWD that is charged with overseeing a real estate investment, and approved by the Board of Directors of the Corporation.”

2. In any other agreement between the Parties or among the Parties and a third party, any mention of the Real Estate Investment Committee will be deemed to mean the Finance and Personnel Committee or any successor standing committee responsible for overseeing real estate investment.

The Parties are executing this Amendment No. 2 to be effective as of the Effective Date.

**BARDEEN PARTNERS, INC.**

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

**IRVINE RANCH WATER DISTRICT**

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

APPROVED AS TO FORM:  
LEWIS BRISBOIS BISGAARD & SMITH LLP

By: \_\_\_\_\_  
District Counsel