

## EXHIBIT “A”

### MINUTES OF REGULAR MEETING – OCTOBER 25, 2021

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 October 25, 2021 in person at the District’s headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting was also broadcast via Webex as a convenience to the public.

Directors Present: LaMar, Withers, Swan, McLaughlin, and Reinhart.

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Director of Treasury and Risk Management Jacobson, Executive Director of Water Policy Weghorst, Director of Water Quality and Regulatory Compliance Colston, Director of Recycling Operations Zepeda, Director of Water Resources Sanchez, Director of Maintenance Mykitta, Director of Human Resources Mitcham, Director of Strategic Communications and Advocacy/Deputy General Counsel Compton, Secretary Bonkowski, General Counsel Collins, and other staff.

WRITTEN AND ORAL COMMUNICATIONS: None.

### WORKSHOP

#### IRWD DAM SAFETY PROGRAM UPDATE

Using a PowerPoint presentation, Senior Engineer Jacob Moeder provided an overview of the District’s Enhanced Dam Safety program. Mr. Moeder reviewed the guiding principles for dam safety, general approaches to the safety assessment, defined risk, framework of the program, routine and non-routine activities, objectives of risk assessment, key findings, and implementation plan. He said that the next steps include proceeding with analyzing seismic performance of Rattlesnake Reservoir, conducting a Santiago Creek Dam cracking study, and establishing an on-call contract for ongoing Dam Safety Program support. Following discussion by the Board and staff, this item was received and filed.

### CONSENT CALENDAR

Director Swan asked that Item No. 7, IRWD STRATEGIC MEASURES, be moved to the Action Calendar. There being no further requests, this item was moved accordingly. On MOTION by Withers, seconded by LaMar and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 6 AND 8 WERE APPROVED AS FOLLOWS:

#### 4. BOARD MEETING MINUTES

Recommendation: That the minutes of the October 11, 2021, Regular Board meeting be approved as presented.

CONSENT CALENDAR (CONTINUED)

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

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

6. SEPTEMBER 2021 TREASURY REPORT

That the Board receive and file the Treasurer's Investment Summary Report, the Summary of Fixed and Variable Rate Debt, and Disclosure Report of Reimbursements to Board members and staff, approve the September 2021 Summary of Payroll ACH payments in the total amount of \$2,230,546, and approve the September 2021 Accounts Payable Disbursement Summary of Warrants 420951 through 421838, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$24,644,781.

8. LETTER OF CREDIT EXTENSIONS FOR THE SERIES 1993 AND 2009A BONDS

Recommendation: That the Board authorize staff to extend the U.S. Bank Letters of Credit for IRWD's 1993 bonds and the 2009A bonds to May 2025 at an annual cost of 0.30% and adopt the following resolution by title subjective to non-substantive changes authorizing certain actions in connection with the extension of Letters of Credit for Consolidated Series 1993 and Consolidated Series 2009A bonds.

RESOLUTION NO. 2021-23

RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE IRVINE RANCH WATER DISTRICT  
AUTHORIZING CERTAIN ACTIONS IN CONNECTION  
WITH THE EXTENSION OF LETTERS OF CREDIT FOR  
CONSOLIDATED SERIES 1993 AND CONSOLIDATED  
SERIES 2009A BONDS

ACTION CALENDAR

7. IRWD STRATEGIC MEASURES

In response to Director Swan's inquiry relative to the regulatory compliance incidents, Director of Water Quality Colston said that these were related to the biosolids project and are required to be reported even though they were insignificant and not related to any customer complaints. Following discussion on other measures, on MOTION by Swan, seconded by Withers and unanimously carried, ITEM NO. 7, IRWD STRATEGIC MEASURES, WAS RECEIVED AND FILED.

## FATS, OILS, AND GREASE PROGRAM CONSULTANT SELECTION

Director of Water Quality and Regulatory Compliance Colston reported that the District initiated a Fats, Oils, and Grease (FOG) program in 2004 for the purpose of better controlling the release of these products into the sewer collection and treatment systems. At that time, EEC Environmental was retained to develop a FOG Characterization Study with the scope of work including inspection of food service establishments (FSEs), development of “enhanced maintenance area” maps, FOG source characterizations, and design of a database management system for the FOG program.

Mr. Colston reported on the program’s expansion over the past 17 years and said that EEC’s program responsibilities have expanded to include all field aspects of the program, records management, administrative and technical support to District staff. It has successfully implemented the contracted portion of the program since inception, working cooperatively with District staff and FSE owners / operators.

Mr. Colston said that staff considered the use of a request for proposal to contract this work for the next three years, but ultimately decided to recommend proceeding with EEC based on its unique qualifications and experience implementing FOG control programs in Orange County and for IRWD. He said that EEC is extremely well qualified to provide continuity of service, expertise in working with District staff to maintain the IRWD FOG permit database, implementation of the new permit fees for cost recovery, extensive experience implementing the IRWD FOG program, and detailed knowledge of IRWD’s program rules and regulations.

Director Withers reported that this item was reviewed by the Engineering and Operations Committee on October 18, 2021, and that the Committee was very impressed with the consultant and believed the costs to be fair. On MOTION by Withers, seconded by Swan and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH EEC ENVIRONMENTAL IN THE AMOUNT OF \$596,100 FOR THE PERIOD OF NOVEMBER 1, 2021 TO OCTOBER 31, 2024.**

## LOCAL HAZARD MITIGATION PLAN ADOPTION

Using a PowerPoint presentation, Safety Specialist Alix Stayton provided an overview of the Local Hazard Mitigation Plan (LHMP) which provides a framework for IRWD to reduce vulnerabilities of water and sewer infrastructure to the impacts of human-induced and natural events such as earthquakes, flooding, and spills. Ms. Stayton said that the plan fulfills a requirement of IRWD’s Urban Water Management Plan (UWMP) and can be used to satisfy eligibility requirements for federal funding for hazard mitigation and capital projects.

Ms. Stayton said that the LHMP is approved by both the California Governor’s Office of Emergency Services (CalOES) and FEMA, and re-certification is required every five years. The LHMP is considered a living document and will be updated as hazard mitigation projects are removed or completed, and as new projects are identified. The plan aligns with IRWD’s UWMP and supports Building Resilient Infrastructure and Communities (BRIC) grant proposals. The plan will be reviewed by IRWD staff annually in accordance with FEMA requirements.

Director Withers reported that this item was reviewed by the Engineering and Operations Committee on October 18, 2021, and on MOTION by Withers, seconded by McLaughlin and

unanimously carried, THE BOARD APPROVED AND ADOPTED THE IRWD LOCAL HAZARD MITIGATION PLAN SUBJECT TO NON-SUBSTANTIVE CHANGES.

WATER SHORTAGE CONTINGENCY PLAN SHORTAGE LEVEL IMPACTS AND ASSUMPTIONS FOR WATER BUDGET ALLOCATIONS

Using a PowerPoint presentation, Director of Water Resources Sanchez reported that the Board adopted an updated Water Shortage Contingency Plan (WSCP) in June 2021 and that the plan includes a “toolbox” of potential strategies for responding to each level of water shortage. One of the potential strategies included within each water shortage level is adjustments to water budgets as a means to achieve the savings needed to respond to a prescribed level of water shortage.

Ms. Sanchez said that the District’s water budget-based rate structure is a cost of service-based rate structure that provides revenue stability in both non-shortage and water shortage periods. She said that when IRWD experiences a water shortage, it may have less water or different costs of water than in normal times. If the District has less water, its WSCP outlines the strategies it will use to reduce demands. She said that such changes would be implemented at the discretion of IRWD’s Board of Directors. If this strategy or tool is used, any changes in rates would be set using cost of service principles and would not exceed the District’s cost of providing water service to each customer. Additionally, prior to setting the water budget allocated to each customer and adopting any rates impacted by those changes, the District would undertake the full Proposition 218 public notice, protest, and hearing process.

Ms. Sanchez said that the District initially would rely on public outreach and non-rate response measures during a declared shortage. In order to have water budget allocations as a tool available to use in the event of a shortage, staff has developed recommended maximum adjustments to the water budget allocations that can be used as response measures that correspond to each level of shortage in the WSCP. Using charts, she described the maximum water budget adjustment for each level of water shortage as well as impacts to typical single-family customer for each level of water shortage. She further reviewed next steps including a Public Hearing in January for the Board to consider adoption of the rate, and WSCP rates.

Director LaMar said that this item was reviewed by the Water Resources, Policy and Communications Committee on October 19, 2021. Following discussion, on MOTION by LaMar, seconded by McLaughlin, and unanimously carried, THE BOARD APPROVED MAXIMUM WATER SHORTAGE WATER BUDGET ADJUSTMENTS ASSOCIATED WITH LEVELS OF SHORTAGE IN IRWD’S WATER SHORTAGE CONTINGENCY PLAN.

GENERAL MANAGER’S REPORT

General Manager Cook reported that there were no additional COVID-19 cases over the past nine days but there were two previous cases at the Operations Center. He said that tomorrow the District will have COVID-19 testing on-site for employees.

Mr. Cook reported that approximately 4,000 customers have overdue balances with a current outstanding debt of \$3.0 million.

DIRECTORS' COMMENTS

Director LaMar reported on his attendance at a 2021 OC Water Summit and an OCBC and CSUF 27<sup>th</sup> Annual Economic Forecast.

Director McLaughlin said she had no outside meetings to report.

Director Swan reported on his attendance at an OCBC and CSUF 27<sup>th</sup> Annual Economic Forecast, MWDOC meetings, a 2021 OC Water Summit, and a Southern California Coalition Environmental meeting. He further congratulated Ms. Christine Compton for receiving the Kathy Cole Award for her commitment to education and advocacy in water policy at the Southern California Water Coalition event, and said he is very proud of her efforts.

Director Withers reported on his attendance at a 2021 OC Water Summit along with his regular meetings. He also said he will be attending a Clarke Prize lecture this Thursday.

Director Reinhart reported on his attendance at OCWD and MWDOC meetings, a Southern California Water Coalition annual meeting, and a Lake Forest Citizen Academy Utility night with Director Withers.

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting at 7:13 p.m.

APPROVED and SIGNED this 8th day of November 2021.

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President, IRVINE RANCH WATER DISTRICT

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Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

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Claire Hervey Collins, General Counsel  
Hanson Bridgett LLP

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