

MINUTES OF REGULAR MEETING –JANUARY 22, 2024

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President Reinhart at 5:00 p.m. on January 22, 2024 at the District offices, 15600 Sand Canyon Avenue, Irvine.

Directors Present: McLaughlin, Swan, Withers (arrived at 5:06 p.m.), LaMar, and Reinhart.

Director Absent: None.

Oral and Written Communications: None.

Items too late to be agendaized: None.

Also Present: General Manager Cook, Executive Director of Operations Chambers, Executive Director of Water Policy Weghorst, Executive Director of Technical Services Burton, Executive Director of Finance and Administration Adly, Director of Water Quality and Regulatory Compliance Colston, Director of Water Resources Sanchez, Director of Human Resources Mitcham, Director of Safety and Security Choi, Director of Maintenance Manning, Director of Information Technology Kaneshiro, Director of Water and Recycling Operations Zepeda, Director of Treasury Morris, Director of Strategic Communication and Advocacy Compton, Director of Financial Planning and Data Analytics Smithson, Secretary Bonkowski, Assistant Secretary Swan, General Counsel Collins, Consultant Newell, and members of the staff and public.

CONSENT CALENDAR

Director Swan asked that Item No. 9 be moved to the Action Calendar for discussion. This item was moved accordingly. On MOTION by Swan, seconded by LaMar and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 8 WERE APPROVED AS FOLLOWS:

4. BOARD MEETING MINUTES

Recommendation: That the minutes of the December 11, 2023 Regular Board meeting and December 12, 2023 Adjourned Regular Board meeting be approved as presented.

5. MEMORANDUM ON OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS AND OTHER ASSIGNMENTS

Recommendation: That the Board receive and file the memorandum dated January 22, 2024 titled Officers of the Board, Committee Appointments and Other Assignments and approve attendance for meetings and events for the Board's representation for calendar year 2024 as delineated.

6. APPOINTMENT OF ASSISTANT TREASURER

Recommendation: That the Board appoint Neveen Adly as the Irvine Ranch Water District Assistant Treasurer effective January 22, 2024.

CONSENT CALENDAR (CONTINUED)

7. DECEMBER 2023 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary report, the summary of fixed and variable rate debt, and the disclosure report of reimbursements to Board members and staff, approve the December 2023 summary of payroll ACH payments in the total amount of \$3,762,189, and approve the December 2023 accounts payable disbursement summary of warrants 439830 through 440234, Workers' Compensation distributions, ACH payments, virtual card payments, wire transfers, payroll withholding distributions, and voided checks in the total amount of \$14,353,604.

8. ADOPTION OF REVISED IRWD SCHEDULE OF POSITIONS AND SALARY RATE RANGES

Recommendation: That the Board adopt the following resolution by title superseding Resolution No. 2023-16 and adopting a revised Schedule of Positions and Salary Rate Ranges for the General Unit, Non-Exempt Supervisor Unit, and for Managers, Exempt Supervisors, Confidential and Exempt Employees.

RESOLUTION NO. 2024 – 1

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE IRVINE RANCH WATER DISTRICT SUPERSEDING
RESOLUTION NO. 2023-16 AND ADOPTING A
REVISED SCHEDULE OF POSITIONS AND SALARY
RATE RANGES FOR THE GENERAL UNIT, NON-EXEMPT
SUPERVISOR UNIT, AND FOR MANAGERS, EXEMPT
SUPERVISORS, CONFIDENTIAL AND EXEMPT EMPLOYEES

ACTION CALENDAR

9. FISCAL YEAR 2023-24 IRWD GUIDING PRINCIPLES SCORECARD

In response to Director Swan's inquiries, Director of Water Quality Colston provided the cause of the regulatory compliance incidents. Additionally, staff said that a graph will be created showing the microturbine production at the Biosolids and Energy Recovery Facility. There being no further discussion, on MOTION by Swan, seconded by LaMar and unanimously carried, the FISCAL YEAR 2023-24 IRWD GUIDING PRINCIPLES SCORECARD WAS RECEIVED AND FILED.

10. REMARKETING OF IRWD SERIES 2011A BONDS

General Manager Cook said that staff placed before each Director a supplemental exhibit of the resolution reflecting nonsubstantive changes made by the District's bond counsel. Director of Treasury Morris reported that IRWD's 2011 A-1 issue currently has \$38.76 million of outstanding principal remaining, and IRWD's 2011 A-2 issue has \$25.84 million of outstanding principal remaining. Mr. Morris said that the 2011A debt issues are remarketed annually by

Goldman Sachs based on a spread to the Securities Industry and Financial Markets Association (SIFMA) weekly tax-exempt variable rate index. He said that staff and the District's financial advisor Public Financial Management evaluated several remarketing alternatives available to the District and determined that the lowest annual all-in rate for the debt issues would be the daily variable rate mode with an annual net savings of approximately \$930,000 in the first year.

Mr. Morris said that staff and bond counsel have prepared the draft revised Remarketing Statement reflecting the District's most recent financial information, updated disclosure information, and other pertinent updates for the Series 2011A Bonds along with Amendment No. 1 to the Remarketing Agreement for the Series 2011A-1 Bonds, Amendment No. 2 to the Remarketing Agreement for the Series 2011A-2 Bonds, the Third Supplemental Indentures of Trust, and Reimbursement Agreements.

Director Swan said that this item was reviewed by the Finance and Personnel Committee on December 5, 2023. Following comments by staff and legal counsel, on MOTION by Swan, seconded by LaMar and unanimously carried. THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2024-2

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE IRVINE RANCH WATER DISTRICT
APPROVING THE REMARKETING STATEMENT
RELATING TO UNSCHEDULED MANDATORY
TENDERS OF THE BONDS OF
IRVINE RANCH WATER DISTRICT
(REFUNDING SERIES 2011A-1 AND REFUNDING SERIES 2011A-2),
AUTHORIZING AMENDMENTS TO THE RELATED
REMARKETING AGREEMENTS AND INDENTURES OF TRUST,
AUTHORIZING REIMBURSEMENT AGREEMENTS FOR LETTERS OF CREDIT, AND
AUTHORIZING THE EXECUTION AND DELIVERY OF ALL RELATED DOCUMENTS

11. DASH CAM AND TELEMATICS PLATFORM SERVICES AGREEMENT

Executive Director of Operations Chambers reported that the District currently manages a fleet of 240 vehicles equipped with separate telematics and dash camera systems which create significant maintenance challenges. Ms. Chambers said that to improve operational efficiency, staff recommends implementing a cloud-based solution to seamlessly integrate both systems, effectively reducing staff time and maintenance efforts.

Ms. Chambers said that a request for proposal for dash camera and telematics platforms was distributed to Lytx, Inc., SureCam, LLC, Samsara, Inc., and USA Fleet Solutions. She said that all firms submitted proposals, and following staff review, Samsara's proposal was deemed the best aligned with IRWD's needs and specifications. Samsara's platform provides a unified approach where telematics generates comprehensive reports encompassing safety, fuel usage, and maintenance alerts. She said that emissions data can be transmitted directly to the California Bureau of Automotive Repair, bypassing traditional smog checks and ensuring regulatory compliance. Concurrently, dash cameras are crucial in providing video evidence for investigations and accident reconstructions. The platform eliminates unreliable removable

memory cards and data will be uploaded directly to the cloud, ensuring secure storage for 14 months, meeting legal requirements.

On MOTION by McLaughlin, seconded by LaMar and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A THREE-YEAR SERVICES AGREEMENT WITH SAMSARA, INC., IN THE TOTAL AMOUNT OF \$487,613 FOR DASH CAMERA AND TELEMATICS PLATFORM SERVICES.

12. DRAFT TERMS FOR EXCHANGE PROGRAM WITH SANTA CLARA VALLEY WATER DISTRICT

Water Resources Manager Welch reported that Valley Water is a State Water Project (SWP) contractor with 100,000 acre-feet (AF) of SWP Table A water entitlement and that in 2023, staff began discussions with them regarding its interest in storing a portion of its Table A water in the IRWD Water Bank. Ms. Welch said that recent discussions have focused on implementing an Exchange Program that would allow Valley Water to deliver this water into storage at the IRWD Water Bank on a 2-for-1 basis and has developed draft terms for a proposed Exchange Program with Valley Water.

Ms. Welch said that staff proposes to allocate 20,000 AF of storage capacity to this proposed Exchange Program that would allow Valley Water to deliver its SWP supplies to the IRWD Water Bank with Valley Water's share of the water, limited by a maximum account balance of 10,000 AF. She said that one-half of the water delivered by Valley Water would be transferred to IRWD through Metropolitan Water District and that delivery of Valley Water's Table A water into storage would occur after the recharge needs of IRWD and its other exchange partners have been met.

She said that Valley Water's share of the water would be returned by the end of the seventh year after each recharge event by pumping wells at the IRWD Water Bank. The pumping of wells for Valley Water would occur after meeting the needs of IRWD and its other exchange partners. IRWD and Valley Water would each be responsible for recharge and recovery costs associated with their respective share of the water delivered into storage under the Exchange Program. Additionally, Valley Water would pay for all fixed SWP costs associated with making the water available for recharge, including the water that will be transferred to IRWD.

Director Swan said that this item was reviewed by the Supply Reliability Programs Committee on January 18, 2024, and on MOTION by Swan, seconded by LaMar and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE AN EXCHANGE PROGRAM AGREEMENT WITH SANTA CLARA VALLEY WATER DISTRICT BASED ON THE DRAFT TERMS PRESENTED, SUBJECT TO SUBSTANTIVE CHANGES APPROVED BY THE SUPPLY RELIABILITY PROGRAMS COMMITTEE AND LEGAL COUNSEL.

OTHER BUSINESS

13. General Manager's Report – None.

14. Community update.

Consultant Newell provided an update of the first rain event in Santiago Canyon, and further noted the serious problem with diseased oak trees in the area.

15. Directors' Comments and Meeting Reports

Director McLaughlin said she had no meetings to report.

Director Withers reported on his attendance at a Santiago Aqueduct Commission meeting, a Chapman University Economic Forecast webinar, an ISDOC Executive Committee meeting, a NWRI Board meeting, an OCWA Industry insight presentation, and a City of Lake Forest Community outreach event.

Director Swan reported on his attendance at a MWDOC Administration and Finance Committee meeting, a Colorado River Water Users Association Annual conference in Las Vegas, a WACO Planning Committee meeting, a MWDOC Board of Directors meeting, an Urban Water Institute Strategic Planning Board workshop in San Diego, a MWDOC Planning and Operations Committee meeting, a MWDOC workshop Board meeting with MWD Directors, and a MWDOC Administration and Finance Committee meeting. He asked that the Board meeting be adjourned in memory of Mr. John Thornton, who served as an engineer in the water industry for many years.

Director LaMar reported on his attendance at a Chapman University Economic Forecast webinar, an ACWA Officers meeting, a California Council for Environmental and Economic Balance Water Quality Task Force Planning Session, an ACWA Board meeting, and a WACO meeting.

Director Reinhart reported on his attendance at a OCWD Water Issues Committee meeting, a MWDOC Administration and Finance Committee meeting, a Colorado River Water Users Association annual conference in Las Vegas, a MWDOC Board of Directors meeting, an OCWD Board of Directors meeting, a MWDOC Planning and Operations Committee meeting, a MWDOC workshop Board meeting, a MWDOC Administration and Finance Committee meeting, an OCWD Water Issues Committee Meeting, and an OCWD Administration and Finance Committee meeting.

16. Adjournment

There being no further business, the meeting was adjourned in memory of Mr. John Thornton.

APPROVED and SIGNED this 12th day of February 2024.




President, IRVINE RANCH WATER DISTRICT



Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:



Claire Hervey Collins, General Counsel
Hanson Bridgett LLP