

MINUTES OF REGULAR MEETING – DECEMBER 16, 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 December 16, 2024 at the District offices, 15600 Sand Canyon Avenue, Irvine.

Directors Present: Ferons, Withers, Swan, LaMar, and President Reinhart.

Directors Absent: None.

Oral and Written Communications: None.

Items too late to be agendized: None.

Also Present: General Manager Cook, Executive Director of Finance Adly, Executive Director of Technical Services Burton, Executive Director of Operations Chambers, Executive Director of Water Policy Weghorst, Director of Human Resources Mitcham, Director of Recycling Operations Zepeda, Director of Maintenance Operations Manning, Director of Water Resources Sanchez, Director of Information Technology Kaneshiro, Director of Accounting and Treasury Lin, Consultant Newell, General Counsel Collins, Secretary Swan, members of the staff, and public.

PRESENTATIONS – PROCLAMATION

A Proclamation was presented to Mr. Jeff Schreck for his twenty-eight years of service to the District by General Manager Cook with well wishes from the members of the Board.

CONSENT CALENDAR

Prior to voting, President Reinhart said that pertaining to Item No. 7 on the Consent Calendar of tonight's agenda, on November 25, 2024, the Board conducted its annual Performance Evaluation of the General Manager. Mr. Reinhart said that this evening the Board is considering changes to his compensation based on that performance review. He said that pursuant to Government Code Section 54953(c)(3), prior to taking final action on changes to the General Manager's compensation, he will provide a summary of the recommended action. He said that the recommendation is to: 1.) increase the base salary of the General Manager from \$386,636 to \$401,328 per year (a 3.8% increase), effective October 1, 2024; 2.) provide a one-time performance award for the General Manager in the amount of \$38,000 as a taxable lump sum cash payment; and 3.) continue the automobile allowance at the rate of \$11,000 per year, which is unchanged from last year. He said that all other aspects of the General Manager's compensation remain unchanged.

Under item No. 16, President Reinhart announced that staff requested to remove it from this evening's agenda.

On MOTION by Withers, seconded by LaMar, CONSENT CALENDAR ITEMS 5, 6, 8 THROUGH 15 and ITEM 17 WERE APPROVED 5-0, AND ITEM NO. 7 WAS APPROVED 4-1 WITH SWAN VOTING AGAINST AS FOLLOWS:

CONSENT CALENDAR (CONTINUED)

5. BOARD MEETING MINUTES

Recommendation: That the minutes of the November 25, 2024 Regular Board meeting be approved as presented.

6. 2024 GENERAL DISTRICT ELECTION RESULTS

Recommendation: That the Board adopt a resolution by title:

RESOLUTION NO. 2024-16

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT
DECLARING RESULTS OF THE NOVEMBER 5, 2024 GENERAL DISTRICT ELECTION

7. CHANGES TO GENERAL MANAGER'S COMPENSATION

Recommendation: That the Board approve the 2024 amendment to the General Manager Employment Agreement, effective October 1, 2024.

8. 2024 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: Receive and file.

9. VARIANCE TO IRWD GENERAL COUNSEL CONTRACT FOR FISCAL YEAR 2024-25

Recommendation: That the Board authorize the General Manager to execute a variance to Professional Services Agreement with Hanson Bridgett LLP for general counsel legal services extending the term of the agreement through June 30, 2025, and increasing the not-to-exceed value by \$675,000.

10. NOVEMBER 2024 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 November 2024 Summary of Payroll ACH payments in the total amount of \$4,097,496, and approve the November 2024 accounts payable disbursement summary of warrants 446021 through 446551, Workers' Compensation distributions, ACH payments, virtual card payments, wire transfers, payroll withholding distributions, and voided checks in the total amount of \$19,921,861.

11. CONFERENCE ROOM TECHNOLOGY REFRESH BUDGET INCREASE

Recommendation: That the Board authorize a budget increase for Project No. 12591 in the amount of \$195,000 to modernize the Audio-Visual technologies in the Operations Multi-Purpose Room, Aquarium, Maintenance, and Enterprise Asset Management conference rooms

CONSENT CALENDAR (CONTINUED)

12. WATER SUPPLY ASSESSMENT AND WATER SUPPLY VERIFICATION FOR THE DISCOVERY PARK PROJECT

Recommendation: That the Board approve the Water Supply Assessment and contingent upon approval of the Water Supply Assessment, approve the Water Supply Verification for the Discovery Park Project.

13. PLANNING AREA 51 HERITAGE FIELDS DISTRICT 5 AND 6 NORTH CAPITAL FACILITIES

Recommendation: That the Board approve Contract Change Order No. 2 in the deductive amount of \$557,335.46 with Heritage Fields, LLC for the Planning Area 51 Great Park Harrier and Chinon Capital Facilities, Projects 12228, 12229, 12230, 12231, and 12232, and authorize the General Manager to accept Heritage Fields' construction contract with L&S Construction, Inc. in the amount of \$1,428,039 for the Planning Area 51 Great Park Treble Capital Domestic Water, Sanitary Sewer, and Recycled Water Improvements, Projects 12404, 12405, and 12406.

14. SAN JOAQUIN RESERVOIR ASPHALT CONCRETE LINER INTERIM REPAIRS FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the San Joaquin Reservoir Asphalt Concrete Liner Interim Repairs, authorize the General manager to file a Notice of Completion, and authorize the payment of the retention 35 days after the date of recording the Notice of Completion for Project 11851.

15. HOWILER WATER TREATMENT PLANT INTERTIE BUDGET ADDITION AND CONSULTANT SELECTION

Recommendation: That the Board authorize the addition of the Howiler Water Treatment Plant Intertie, Project 13149, in the amount of \$4,515,000 to the Fiscal Year 2024-25 Capital Budget, and authorize the General Manager to execute a Professional Services Agreement with West Yost in the amount of \$686,141 for the engineering design services.

17. PASS-THRU INDEMNIFICATION AGREEMENT REGARDING WATER BANK DELIVERIES

Recommendation: That the Board authorize the General Manager to execute the Letter Agreement for "Met Deliveries to Kern County Water Agency" with Rosedale Rio-Bravo Water Storage District and similar future pass-thru indemnification agreements required by Rosedale to facilitate water deliveries to and from the Irvine Ranch Water District water bank, subject to special legal counsel review.

ACTION CALENDAR

18. SANTIAGO CANYON PUMP STATION IMPROVEMENTS CONTRACT CHANGE ORDER

Executive Director of Technical Services Burton reported that the Santiago Canyon Pump Station Improvements project will construct improvements at four pump stations and on a reservoir in the Santiago Canyon area. Following an overview of the project, on MOTION by Swan, seconded by LaMar, and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 7 IN THE CREDIT AMOUNT OF \$901,458.98 FOR THE DELETION OF THE REMAINING MANNING PUMP STATION SCOPE FROM THE SANTIAGO CANYON PUMP STATION IMPROVEMENTS, PROJECT 01398.

19. SANTIAGO CREEK DAM IMPROVEMENTS PROJECT UPDATE, CONSULTANT, VARIANCE, AND BUDGET INCREASE

Using a PowerPoint Presentation, Engineering Manager Moeder outlined the Santiago Creek Dam Improvements and provided a project update. Subsequent to discussion, on MOTION by Swan, seconded by Withers, and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 8 IN THE AMOUNT OF \$5,293,817 WITH AECOM FOR ADDITIONAL ENGINEERING DESIGN SERVICES; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 1 IN THE AMOUNT OF \$394,940 WITH HDR FOR ADDITIONAL RISK ANALYSIS SERVICES, AND AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$130,000,000, FROM \$340,000,000 TO \$470,000,000 FOR THE SANTIAGO CREEK DAM IMPROVEMENTS, PROJECT 01813.

20. ANNUAL BOARD OF DIRECTORS' FEES

General Manager Cook reported that the Finance and Personnel Committee annually reviews the Board of Directors' compensation and recommends to either accept or decline an increase in the amount of day-of-service fees for the new calendar year. This year the committee did not adopt a position on the matter, and instead left it open to the Board for discussion.

Director Swan reported that during the committee meeting, neither he nor Director LaMar had a strong position to accept or decline the increase. After discussion with the Board, on MOTION by Swan seconded by LaMar, and unanimously carried, THE BOARD DEFERRED THE FIVE (5%) PERCENT COMPENSATION INCREASE FOR CALENDAR YEAR 2025.

21. ELECTION OF OFFICERS FOR 2025

General Manager Cook reported that the Bylaws of the District provide that the President and Vice President shall be elected by the Board from among its members with the term of office for one year, or until the election and qualification of their successors. Mr. Cook, acting as temporary Chairman, conducted the election for President. Director Withers nominated Director Reinhart as President with a second from Director LaMar, and Director Withers nominated Director LaMar as Vice President with a second from Director Ferons. As no other nominations were made, Director Withers asked that the election be made by acclamation and DIRECTOR REINHART WAS UNANIMOUSLY ELECTED PRESIDENT AND DIRECTOR LAMAR WAS UNANIMOUSLY ELECTED VICE PRESIDENT.

OTHER BUSINESS

22. General Manager's Report

Mr. Cook stated that there are a few items being addressed to finalize the Serrano Water District Agreement regarding Irvine Lake and the Howiler Treatment Plant. He added that there were a couple of new faces joining the District and asked Executive Director of Technical Services Burton to introduce Construction Inspection Assistant Manager Teo Pasillas, and Director of Information Technology Kaneshiro to introduce Enterprise GIS Manager Cameron Smith.

23. Receive oral update(s) from District liaison(s) regarding communities within IRWD's service area and interests.

Mr. Newell reported that while he had no water events to report on, and that all was well in the canyons.

24. Directors' Comments and Meeting Reports

Director Ferons had no meetings to report but relayed that he was honored to be elected and serve on Board.

Director Withers reported on his attendance at the ACWA Fall Conference in Palm Desert; the ISDOC Executive Committee meeting; the Santiago Aqueduct Commission Meeting; and the WACO Monthly meeting.

Director Swan reported on his attendance at the ACWA JPIA and ACWA Fall Conference in Palm Desert; the Colorado River Water Users Association Conference in Las Vegas; the Groundwater Banking JPA Board meeting; the MWDOC Administration and Finance Committee meeting; the WACO Monthly meeting. In addition, he reported on his attendance at the San Joaquin Wildlife Sanctuary Board meeting, the plein air painters event at the San Joaquin Marsh, and the CASA Federal Legislative meeting.

Director LaMar reported on his attendance at the South Orange County Agencies' Group meeting; the ACWA Fall Conference in Palm Desert; the CCEEB Water Quality Task Force meeting at Cal Tech; the Natural Communities Coalition Board meeting; and the WACO Monthly meeting.

President Reinhart reported on his attendance at the South Orange County Agencies' Group meeting; the MWDOC Planning and Operations Committee meeting; the Colorado River Water Users Association Conference in Las Vegas; the Groundwater Banking JPA Board meeting; the MWDOC Administration and Finance Committee meeting; the OCWD Water Issues Committee meeting; the OCWD Administration & Finance Issues Committee meeting; the Santa Margarita Water District's Board meeting to present a proclamation to Director Gibson upon his retirement; and the WACO Monthly meeting.

25. ADJOURNMENT

At 6:00 p.m., President Reinhart adjourned the Board meeting to Tuesday, December 17 at 9:00 a.m. to hold a Strategic Planning Workshop in the Sand Canyon Room on the first floor at 15600 Sand Canyon Avenue, Irvine.

OTHER BUSINESS (CONTINUED)

APPROVED and SIGNED this 27th day of January 2025.

President, IRVINE RANCH WATER DISTRICT

District Secretary,
IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP