

MINUTES OF REGULAR MEETING – APRIL 14, 2025

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President Reinhart at 5:11 p.m. on April 14, 2025 at the District offices, 15600 Sand Canyon Avenue, Irvine.

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

Directors Absent: Feron.

Oral and Written Communications: None.

Items too late to be agendaized: None.

Also Present: General Manager Cook, Executive Director of Finance and Administration Adly, Executive Director of Technical Services Burton, Executive Director of Water Policy Weghorst, Executive Director of Operations Chambers, Director of Water Resources Sanchez, Director of Financial Planning and Data Analytics Smithson, Director of Human Resources Mitcham, Director of Recycling Operations Zepeda, Director of Information Technology Kaneshiro, Director of Accounting and Treasury Lin, Director of Safety and Security Choi, Director of Strategic Communications & Advocacy Compton, Director of Maintenance Operations Manning, General Counsel Collins, Secretary Swan, members of the staff, and public.

PRESENTATION

4. SCIENCE FAIR AWARD WINNERS

The Community Relations staff hosted an open house of water-related projects entered in this year's annual Irvine Unified School District Science Fair and presented awards to forty-three students.

CONSENT CALENDAR

On MOTION by LaMar, seconded by Withers and unanimously carried, CONSENT CALENDAR ITEMS FIVE THROUGH TEN WERE APPROVED AS FOLLOWS:

5. BOARD MEETING MINUTES

Recommendation: That the minutes of the March 24, 2025 Regular Board meeting be approved as presented.

6. 2025 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board adopt a "support" position on SB 454 (McNerney), SB 496 (Hurtado), SB 599 (Caballero), SB 682 (Allen), H.R. 2296 (McClain/Mullin) and S. 1092 (Merkley/Collins); a "concerns" position on AB 93 (Papan); a "watch" position on SB 730 (Hurtado); and an "oppose unless amended" position on AB 794 (Gabriel) and AB 872 (Rubio).

CONSENT CALENDAR (CONTINUED)

7. ACWA 2025 ELECTION FOR THE 2026-2027 TERM

Recommendation: That the Board designate Director Steve LaMar as IRWD's voting representative for the ACWA Presidential and Vice-Presidential election and for the election of the Region 10 Board of Directors, and authorize staff to submit the "Authorized Voting Representative Form" to ACWA designating Director LaMar as the District's authorized voting representative for the upcoming 2025 ACWA election.

8. WATER SUPPLY ASSESSMENT AND WATER SUPPLY VERIFICATION FOR THE GATEWAY RESIDENTIAL 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 Gateway Residential Project.

9. PARK PLAZA RECYCLED WATER PIPELINE REPLACEMENT CONSTRUCTION AWARD

Recommendation: That the Board authorize the General Manager to execute a construction contract with T.E. Roberts, Inc. in the amount of \$837,634 for the Park Plaza Recycled Water Pipeline Replacement, Project 13106.

10. UTILITY AGREEMENT BETWEEN ORANGE COUNTY TRANSPORTATION AUTHORITY AND IRWD FOR THE INTERSTATE 5 FREEWAY DOMESTIC WATER PIPELINE RELOCATION

Recommendation: That the Board authorize the General Manager to execute a Utility Agreement with the Orange County Transportation Authority for the Interstate 5 freeway domestic water pipeline relocation costs, subject to non-substantive changes.

ACTION CALENDAR

11. MAXIMO UPGRADE PROJECT

Using a PowerPoint presentation, Director of Maintenance Operations Manning provided an overview of the District's asset management system, Maximo, and explained how it plays a crucial role in IRWD's operation and maintenance functions. He further outlined how upgrading the software to Maximo Application Suite 9 will benefit IRWD in predictive maintenance, field crew mobility, prioritization, and enhanced integrations with other IRWD systems like SCADA.

Director of Information Technology Kaneshiro reviewed the implementation schedule, the request for proposals process, and the staff recommendation. Following a discussion from members of the Board, on MOTION by LaMar, seconded by Withers, and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH TOTAL RESOURCE MANAGEMENT IN THE AMOUNT OF \$825,000 AND A TERM OF THREE YEARS FOR THE MAXIMO UPGRADE PROJECT AND THAT THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH INTERNATIONAL BUSINESS MACHINES IN THE AMOUNT OF \$715,000 AND A TERM OF THREE YEARS FOR THE MAXIMO SOFTWARE SUBSCRIPTION FEES.**

ACTION CALENDAR (CONTINUED)

12. COST OF SERVICE STUDY

Director of Financial Planning and Data Analytics Smithson, presented the IRWD Cost of Service Study to the Board using a PowerPoint presentation. He emphasized that by performing a cost of service study, the District can achieve its goals of: (1) equity and fairness to ensure that customers are paying their fair share based on the cost of serving them; (2) regulatory compliance to meet the legal or policy requirements to justify rate structures; (3) financial stability to avoid revenue shortfalls and maintain the District's ability to invest in infrastructure and operations; and (4) transparency to provide clarity and accountability to all about how the rates are determined.

This year, IRWD took a different step by mailing the Proposition 218 notices early to comply with the newly adopted Assembly Bill 2257, allowing any customer to submit a legal objection prior to the adoption of the new rates. This will give Staff and Legal Counsel the opportunity to amend or change the rate study, and respond to those legal objections in writing prior to the June 23, 2025 Board meeting. General Counsel Collins added that anyone who fails to participate in the administrative exhaustion procedure is prevented from suing IRWD later, so it provides a measure of both notice and an opportunity for the District to cure any defects in the study.

Following discussion by the Board and District staff, THE BOARD RECEIVED AND FILED THE COST OF SERVICE STUDY.

OTHER BUSINESS

13. General Manager's Report

General Manager Cook reported that following today's 5.1 earthquake centered in Julian, California all the District's dams were inspected by District staff are reported to be in good shape.

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

General Manager Cook stated that Mr. Newell was unable to stay for the entire meeting, but he relayed that all is well in the Canyons.

15. Directors' Comments and Meeting Reports

Director Withers reported on his attendance at the Orange County Council of Government's Annual Conference in Yorba Linda; the ISDOC Executive Committee meeting via teleconference; and the NWRI Board of Directors' meeting.

Director Swan reported on his participation in the MWDOC Workshop Board meeting with MWD Directors; the monthly WACO meeting via teleconference; the MWDOC Administration and Finance Committee meeting; and the Water Education Foundation 2025 Water 101 Workshop in Sacramento.

Director LaMar reported on his attendance at the COAST Roadside Ignitions Subcommittee meeting; a Southern California Edison Public Safety Power Shutoff Advisory Committee meeting; Natural Communities Coalition Board meeting; the MWDOC Water Policy Dinner in Costa Mesa; an Ocean Well Demonstration Project meeting at Las Virgenes Water District; and the monthly WACO meeting via teleconference.

OTHER BUSINESS (CONTINUED)

15. Directors' Comments and Meeting Reports (continued)

President Reinhart reported on his participation in the MWDOC Workshop Board meeting with MWD Directors; the OCWD Board meeting; the OCWD Communications and Legislative Liaison Committee meeting; the WACO monthly meeting via teleconference; the MWDOC Administration and Finance Committee meeting; the OCWD Water Issues Committee meeting; and the OCWD Administration and Finance Issues meeting.

16. ADJOURNMENT

At 6:12 p.m., President Reinhart adjourned the Board meeting.

APPROVED and SIGNED this 28th day of April 2025.

President, IRVINE RANCH WATER DISTRICT

District Secretary,
IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP