

## MINUTES OF REGULAR MEETING – APRIL 27, 2026

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President LaMar at 5:00 p.m. on April 27, 2026 at the District offices, 15600 Sand Canyon Avenue, Irvine.

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

Directors Absent: Swan.

Oral and Written Communications: An email from Director Swan regarding Agenda Item No. 12 was received and is provided as Attachment “A”.

Items too late to be agendized: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Operations Chambers, Executive Director of Water Policy Weghorst, Director of Water Resources Nye, Director of Water Quality Colston, Director of Human Resources Mitcham, Director of Water & Recycling Operations Zepeda, Director of Maintenance Operations Manning, Director of Safety and Security Choi, Director of Financial Planning and Data Analytics Smithson, Director of Accounting Lin, Recycled Water and Cross Connection Control Manager Hatch, Engineering Manager Akiyoshi, Engineering Manager Moeder, 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 fifty-eight students.

### CONSENT CALENDAR

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

#### 5. BOARD MEETING MINUTES

Recommendation: That the minutes of the April 13, 2026 Board of Directors meeting be approved as presented.

#### 6. MARCH 2026 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 March 2026 Summary of Payroll ACH payments in the total amount of \$2,854,257, and approve the March 2026 accounts payable disbursement summary of warrants 454064 through 454517, Workers’ Compensation distributions, ACH payments, virtual card payments, wire transfers, payroll withholding distributions, and voided checks in the net total amount of \$15,364,666.

CONSENT CALENDAR (CONTINUED)

7. FISCAL YEAR 2025-26 IRWD GUIDING PRINCIPLES SCORECARD

Recommendation: Receive and file.

8. MEMORANDA OF UNDERSTANDING BETWEEN THE IRVINE RANCH WATER DISTRICT AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (AFL-CIO) LOCAL #47 GENERAL UNIT AND NON-EXEMPT SUPERVISOR UNIT EMPLOYEES EFFECTIVE JULY 1, 2026 THROUGH JUNE 30, 2031

Recommendation: That the Board authorize the General Manager to execute the Memoranda of Understanding between the Irvine Ranch Water District and the International Brotherhood of Electrical Workers (AFL-CIO) Local #47 General Unit and the Non-exempt Supervisor Unit employees effective July 1, 2026 through June 30, 2031 subject to non-substantive changes.

9. EASTWOOD RECYCLED WATER PUMP STATION ZONE A TO SYPHON AND SYPHON TO ZONE C EQUIPPING CONSULTANT SELECTION AND BUDGET INCREASE

Recommendation: That the Board authorize a budget increase in the amount of \$2,622,900 and authorize the General Manager to execute a Professional Services Agreement with AECOM in the amount of \$786,640 for engineering design services for the Eastwood Recycled Water Pump Station Zone A to Syphon and Syphon to Zone C Equipping, Project 11831.

10. CITY OF IRVINE GREAT PARK NORTHERN SECTOR, CULTURAL TERRACE, AND GATEWAY RESIDENTIAL VILLAGE CAPITAL FACILITIES

Recommendation: That the Board authorize the General Manager to execute a Reimbursement Agreement with the City of Irvine for IRWD facilities related to the Great Park Northern Sector and Cultural Terrace Development; authorize the General Manager to accept the City of Irvine's construction contract with Sukut Construction, LLC in the amount of \$2,407,817 for the Great Park Framework Plan Capital Facilities project; authorize the addition of the Great Park Framework Plan Domestic Water Capital Facilities, Project 13463, in the amount of \$985,000 to the FY 2025-26 Capital Budget; authorize the addition of the Great Park Framework Plan Recycled Water Capital Facilities, Project 13464, in the amount of \$1,605,000 to the FY 2025-26 Capital Budget; authorize the addition of the Great Park Framework Plan Sanitary Sewer Capital Facilities, Project 13465, in the amount of \$867,000 to the FY 2025-26 Capital Budget; and authorize the General Manager to execute a Reimbursement Agreement with the City of Irvine for IRWD facilities related to the Gateway Residential Village Development.

11. HARDING CANYON DAM ALTERNATIVES ANALYSIS CONSULTANT SELECTION

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Geosyntec, Inc. in the amount of \$277,700 for engineering design services for the Harding Canyon Dam Alternatives Analysis, Project 12513.

## ACTION CALENDAR

### 12. SYPHON RESERVOIR IMPROVEMENT PROJECT CONSULTANT SELECTIONS AND CONSTRUCTION AWARD

Engineering Manager Akiyoshi presented to the Board the Syphon Reservoir Improvement Project's strategic alignment with the District's Goals and Target Activities, as well as the costs, key assumptions, and a seasonal storage overview.

Director of Financial Planning and Data Analytics Smithson provided an updated projection of costs and use of bond sales for project financing.

Engineering Manager Moeder provided an extended timeline for the project, an overview of the selection process for the proposed consultants and the bidding process for the proposed contractor, details of other off-site projects that are related to the project, the schedule of the project, and the basis for the staff's recommendation to award consulting contracts to AECOM for engineering support during construction and to ESA for environmental compliance monitoring during construction, and to award a construction contract to Sukut Construction for the construction of the Syphon Reservoir Improvement Project.

General Manager Cook reminded the Board of Director Swan's email, and that it will be added to the record of the meeting.

Director Reinhart stated that the proposed consultant selection was reviewed by the Engineering and Operations Committee, and that the Committee supports the staff recommendation. Director Withers stated that he was very comfortable with the project, the consultant selection, and that the Syphon Reservoir will not only be an asset to the District, but a benefit for the future. On MOTION by Reinhart, seconded by Withers, and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE FOR PROJECT 03808 IN THE AMOUNT OF \$42,098,000, FROM \$291,000,000 TO \$333,098,000, AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH AECOM IN THE AMOUNT OF \$8,864,950 FOR ENGINEERING SUPPORT DURING CONSTRUCTION; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ESA IN THE AMOUNT OF \$3,990,644 IN SUPPORT OF ENVIRONMENTAL COMPLIANCE MONITORING DURING CONSTRUCTION; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SUKUT CONSTRUCTION IN THE AMOUNT OF \$214,126,000 FOR THE SYPHON RESERVOIR IMPROVEMENT PROJECT.

### 13. LOCAL RESOURCES PROGRAM FUNDING FOR SYPHON RESERVOIR IMPROVEMENT PROJECT

Recycled Water and Cross Connection Control Manager Hatch reported to the Board that staff has collaborated with the Municipal Water District of Orange County to prepare a Local Resources Program funding application to the Metropolitan Water District. If approved, IRWD could receive \$4.7 million over the first eight years of operation of the Syphon Reservoir Project.

Director Reinhart reported that this item was reviewed by the Engineering and Operations Committee, and that the Committee supports the staff recommendation. Following questions and comments from the Board, on MOTION by Reinhart, seconded by Withers, and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR LOCAL RESOURCE PROGRAM FUNDING FOR THE SYPHON

ACTION CALENDAR (CONTINUED)

RESERVOIR IMPROVEMENT PROJECT BASED ON THE ATTACHED TEMPLATE, SUBJECT TO NON-SUBSTANTIVE CHANGES.

14. SPECIAL ACTIVITIES AGREEMENTS FOR KERN FAN PROJECT

Director of Water Resources Nye presented two proposed Draft Special Activities Agreements for the South Enns and Rosedale 1 Channel components of the Kern Fan Project. She outlined the components and the draft provisions of the agreements.

Director Ferons reported that the item was reviewed at the Supply Reliability Programs Committee, and that the committee supported the staff recommendation. He further added that it was approved by the Groundwater Banking Joint Powers Authority earlier on April 27, 2026, and that it will be reviewed by the Rosedale-Rio Bravo Water Storage District on April 28, 2026. On MOTION by Ferons, seconded by Reinhart, and unanimously carried THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE SPECIAL ACTIVITIES AGREEMENTS FOR THE SOUTH ENNS AND ROSEDALE 1 CHANNEL COMPONENTS OF THE KERN FAN PROJECT, BASED ON THE TERMS PRESENTED, SUBJECT TO NON-SUBSTANTIVE CHANGES.

15. REVISED WATER BANKING, TRANSFERS, AND WHEELING POLICY POSITION PAPER

Executive Director of Water Policy Weghorst proposed revisions to the District's Water Banking, Transfers, and Wheeling Policy Position Paper. The previous version was adopted by the Board in 2020 and since its approval, IRWD has completed its 2025 Water Supply Reliability Study; initiated construction on the Kern Fan Project; and participated in the planning and environmental review of the Sites Reservoir Project. Following feedback and comments from the Board, the recommendation was amended to include that the paper would be subject to non-substantive changes.

On MOTION by Withers, seconded by Reinhart, and unanimously carried, THE BOARD APPROVED THE UPDATED WATER BANKING, TRANSFERS, AND WHEELING POLICY POSITION PAPER SUBJECT TO NON-SUBSTANTIVE CHANGES.

OTHER BUSINESS

GENERAL MANAGER'S REPORT

General Manager Cook reported that the last meeting of the San Joaquin Wildlife Sanctuary Board was held last week. Pending the filing of taxes and payment of professional services, the remaining balance of the of the Sanctuary's cash will benefit the Sea & Sage Audubon Society.

RECEIVE ORAL UPDATE(S) FROM DISTRICT LIAISON(S) REGARDING COMMUNITIES WITHIN IRWD'S SERVICE AREA AND INTERESTS.

No report.

DIRECTORS' COMMENTS AND MEETING REPORTS

Director Withers reported on his attendance at the 2026 City of Irvine's State of the City presented by Mayor Larry Agran; and the Special San Joaquin Marsh Community Tour.

OTHER BUSINESS (CONTINUED)

Director Reinhart reported on his participation in the MWDOC Board of Directors' Meeting via teleconference; the OCWD Board of Directors' Meeting via teleconference; the UCI Baseball First Pitch featuring IRWD; and a meeting with District staff.

Vice President Ferons reported on his participation in the San Joaquin Wildlife Sanctuary Board meeting, he thanked the staff for their work on the SJWS Board and looks forward to working with Sea & Sage.

President LaMar reported on his participation in the CCEEB Board of Directors meeting and annual reception in Sacramento; the ACWA Executive Director recruitment meetings; the San Joaquin Wildlife Sanctuary Board meeting; the ACWA Vision Webinar via teleconference; the Natural Communities Coalition Executive Committee meeting; and the ACWA Headwaters Workgroup via teleconference.

ADJOURNMENT

At 6:40 p.m., President LaMar adjourned the Board meeting.

APPROVED and SIGNED this 26<sup>th</sup> day of May 2026.

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President, IRVINE RANCH WATER DISTRICT

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District 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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My comments on Agenda Item 12 - April 27, 2026 Syphon Reservoir Award final

IRWD is currently projected to spend over \$2 billion dollars in capital improvements, capital replacement, and capital refurbishment over the next ten to fifteen years most of which will be paid for from borrowed money either from the issuance of General Obligation Bonds (to the extent that remaining authorization remains) which will be repaid mainly through a combination of property taxes and developer connection fees or by the issuance of Revenue Bonds which will be repaid directly from user rates. Both issuances will require the repayment of Issuance fees to the underwriter along with legal fees to Bond Council and more importantly interest costs for the amount borrowed. I have requested numerous times over the last two years that the staff project the financial impact of this significant amount of capital improvements on individual homeowners and businesses and have yet to receive a satisfactory response. As a consequence, I believe we should quickly complete this study and carefully analyze each large capital expenditure as to the need and priority prior to awarding construction. I believe that the construction of an enlarged Syphon Reservoir is not a necessary project and that the over \$330 million total project cost will be an unnecessary burden to place on the tax and rate payors in the district. I will give a quick summary of my understanding of the project, the reasons why I believe it is not needed, and a far less expensive alternative to address staff concerns.

### History

Recycled water in the district is produced at a fairly constant rate every month while the demand for it changes dramatically based on the different seasons of the year (Demand exceeds monthly created supply during the hotter summer months and decreases during the cooler winter months – dramatically so during especially wet months). To maximize Recycled Water sales, one needs to store the excess production during cooler and wetter months for use during the months when demand exceeds production if that can be done in a cost-effective manner. The existing Syphon Reservoir was purchased at a time when it was estimated that this could be done at an all in cost of about \$76 million (a similar amount to the expected cost the Santa Margarita Water District's new reservoir of about the same size). The resulting increase in recycled sales along with other benefits appeared to justify the project at that time.

The total project cost over time has now quadrupled to the current projected cost of \$330 million. Increased focus on conservation of water has reduced supply, and some of the other benefits have been decreased. In short there is now no cost justification for this large expenditure. The principal OTHER benefit of the project was to avoid having to purchase and to maintain capacity at the Orange County Sanitation District (OCSD) for the disposal of recycled

water produced during winter and wetter months that exceeded existing storage and demand. With this saving it was estimated that the payback was at least 30 years after construction assuming a 4% cost of money. The assumptions here are that by taking savings to repay the debt that after at least 30 years our customers and taxpayers would be whole, that the costs at OCSD would continue to be high, that recycled water would not increase as much as projected as a result of the State wide focus on conservation; and the frequency of projected use of the added storage ( currently about one year every five) does not increase as currently projected.

Two things have changed. The first change resulted from a court case where IRWD's allowed pumping from the OC Groundwater Basin was limited to the Basin Production Percentage Times Total water use in IRWD within the boundary of the Orange County Water District (OCWD) less recycled water sales within the same area. The effect of this settlement reduced the amount of Groundwater that could be legally produced as future recycled sales increased due to increased winter storage. The less expensive groundwater would be mostly offset by increased recycled water sales gained from increased winter storage. The second change was an agreement to continued access to OCWD's Green Acres Distribution system that provided IRWD the ability to transfer excess winter production to OCSD and to OCWD's Groundwater Replenishment System (GWRS) project. The effect was to offset some or all of the costs charged by OCSD that produced the 30+ year payback. Now costs have increased and savings have further decreased and there appears to be no cost justification for this expensive project.

The need for the project can be met by supplying OCSD with recycled water through the existing Green Acres Project distribution system and putting any excess flow into the existing OCWD GWRS headworks or discharging directly from Green Acres into the existing OCSD outfall. Since most of the OCSD cost is in the treatment prior to discharge and recycled water already meets discharge standards, OCSD costs to IRWD would be greatly reduced. A further benefit could result from reducing IRWD recycled sales within the OCWD boundaries which would result in the ability to increase production of lower cost Groundwater.

**I request that the award of the contracts be deferred until the projects needs can be better evaluated and the overall capital projects impacts on rate and taxpayers can be fully vetted by the Board of Directors.**