

MINUTES OF REGULAR MEETING – NOVEMBER 13, 2023

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order by President McLaughlin at 5:04 p.m. on November 13, 2023 at the District offices, 15600 Sand Canyon Avenue, Irvine.

Directors Present: McLaughlin, Reinhart, and Withers.

Directors Absent: LaMar and Swan.

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, Director of Operations Chambers, Executive Director of Water Policy Weghorst, Director of Treasury Morris, Controller Lin, Executive Director of Strategic Communication and Advocacy / Deputy General Counsel Compton, Director of Water Resources Sanchez, Director of Human Resources Mitcham, Director of Information Services Kaneshiro, Director of Safety and Security Choi, Director of Maintenance Manning, Director of Recycling Operations Zepeda, Director of Water Quality and Regulatory Compliance Colston, Assistant Secretary Swan, General Counsel Collins, and members of the staff and public.

WORKSHOP

REVIEW OF 2023 ADVOCACY ACTIVITIES AND 2024 LEGISLATIVE AND REGULATORY ISSUES PLANNING

Following a review of the 2023 legislative, regulatory, and advocacy activities and an overview of expected 2024 legislative and regulatory issues presented by Director of Strategic Communication and Advocacy / Deputy General Counsel Compton and the District's legislative consultants, Director Withers reported that this item was reviewed by the Water Resources Policy and Communications Committee on November 3, 2023, and on MOTION by Withers, seconded by Reinhart and unanimously carried, THE BOARD RECEIVED AND FILED THE PROPOSED "INITIAL 2024 LEGISLATIVE AND REGULATORY RESOURCE ALLOCATION PLAN" AND THE "LEGISLATIVE / REGULATORY ISSUES AND ACTIVITIES OF HIGH CONCERN TO IRWD IN 2024."

CONSENT CALENDAR

On MOTION by Withers, seconded by Reinhart, and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 9 WERE APPROVED AS FOLLOWS:

5. BOARD MEETING MINUTES

Recommendation: That the minutes of the October 23, 2023 Regular Board meeting be approved as presented.

CONSENT CALENDAR (CONTINUED)

6. RESOLUTION FOR SYPHON RESERVOIR IMPROVEMENT PROJECT APPLICATION FOR TITLE XVI GRANT FUNDING

Recommendation: That the Board adopt a resolution authorizing submission of a grant application under the Bureau of Reclamation WaterSMART – Title XVI WIIN Water Reclamation and Reuse Program for up to 25% of the total project costs, up to \$30 million, for the Syphon Reservoir Improvement Project, and authorize the General Manager to execute a related agreement to receive grant funding.

RESOLUTION NO. 2023 - 15

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
AUTHORIZING SUBMISSION OF A GRANT APPLICATION
FOR THE WATERSMART TITLE XVI WIIN
WATER RECLAMATION AND REUSE PROGRAM TO THE
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
WATER RESOURCES AND PLANNING OFFICE

7. SERRANO CREEK RAW WATER PIPELINE REPLACEMENT BUDGET INCREASE AND CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase in the amount of \$397,000, from \$1,116,500 to \$1,513,500 for Project 12423, and authorize the General Manager to execute a construction contract with GCI Construction, Inc. in the amount of \$808,000 for the Serrano Creek Raw Water Pipeline Replacement, Project 12423.

8. MICHELSON WATER RECYCLING PLANT ELECTRICAL SERVICE “A” REPLACEMENT FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Michelson Water Recycling Plant Electrical Service “A” Replacement project, 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 12615.

9. COMBINATION SEWER CLEANER TRUCK PURCHASE

Recommendation: That the Board authorize the General Manager to execute a purchase order with Plumber’s Depot in the amount of \$722,820 for the purchase of one new combination sewer cleaner truck.

ACTION CALENDAR

FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Executive Director of Finance and Administration Adly commended Controller Lin and the team for a great job compiling the District's 20th Annual Comprehensive Financial Report. IRWD has won awards for the past number of years and expects the same for this year's report. She introduced Controller Lin to make a PowerPoint presentation to the Board.

Controller Lin presented the highlights of the audit and financials. Results of the Financial Statement Audit concluded that the District's financial reports were prepared in conformity with generally accepted accounting principles; there were no material weaknesses in IRWD's internal accounting controls; and the financial statements fairly represented the District's financial position for the fiscal year 2022-23.

Director Reinhart reported that this item was reviewed by the Finance and Personnel Committee on October 31, 2023, and on MOTION by Reinhart, seconded by Withers and unanimously carried, THE BOARD APPROVED THE FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT.

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 Reinhart 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 and on grounds including that an increase was not accepted last year, on MOTION by Reinhart seconded by Withers, and unanimously carried, THE BOARD ACCEPTED THE FIVE (5%) PERCENT COMPENSATION INCREASE FOR CALENDAR YEAR 2024.

OTHER BUSINESS

GENERAL MANAGER'S REPORT

Mr. Cook reported that IRWD's Potable Treatment Plant was named runner-up for the Best Tasting Membrane Water in the Southwest Region by the Southwest Membrane Operator Association.

In addition, he asked that the Board close the meeting in honor of the late Phil Isenberg, former mayor of Sacramento, IRWD Lobbyist, and long-time champion for IRWD.

COMMUNITY UPDATE

Consultant Newell reported that was no activity to report and all is going well in the canyons.

DIRECTORS' COMMENTS AND MEETING REPORTS

Pursuant to AB 1234 and Government Code Section 53232.3(d), written reports of the meetings that Board members attended on behalf of IRWD since the last Board Meeting were provided at the meeting. Amendments to the written reports were provided orally, and together the reported meetings were as follows:

Director Withers reported on his attendance at the NWRI Board of Directors meeting, the OC Water Summit, the OC Coastkeeper's Annual Toast the Coast event, the Clarke Prize Reception, Ceremony and Lecture, the Southern California Water Coalition's Annual Dinner, the WACO monthly meeting, the ISDOC Executive Committee Meeting, and an additional NWRI Board of Directors meeting.

Director Reinhart reported on his attendance at the MWDOC Board Workshop with the MWD Directors, the OCWD Board of Directors Meeting, the OCWD Communications and Legislative Liaison Committee, the monthly WACO meeting, the MWDOC Planning and Operations Committee meeting, the MWDOC Administration and Finance Committee, the OCWD Water Issues Committee Meeting, and the OCWD Administration and Finance Issues Committee Meeting.

President McLaughlin reported on her participation in the IRWD Connect Program's San Joaquin Wildlife Campus Guided Tour, the 2023 IRWD Community Tour, and provided lecture at UCI and thanked Fiona Sanchez for her guidance.

CLOSED SESSION

Legal Counsel Collins reported at 5:54 p.m. that the following Closed Session would be held this evening:

CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION and CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Sections 54957(b) and 54957.6, respectively:

Agency Designated Representative: President McLaughlin
Position Title / Unrepresented Employee: General Manager

RECONVENE AND OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors Reinhart, Withers, and McLaughlin present. President McLaughlin said there was no action to report.

ADJOURNMENT

There being no further business, Director McLaughlin adjourned the meeting at 7:15 p.m. in memory of the Honorable Phil Isenberg.

APPROVED and SIGNED this 27th day of November 2023.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP