

EXHIBIT "A"

MINUTES OF REGULAR MEETING –APRIL 10, 2023

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President McLaughlin on April 10, 2023 at the District offices, 15600 Sand Canyon Avenue, Irvine.

Directors Present: LaMar, Reinhart, Swan, and McLaughlin

Directors Absent: Withers

Written and Oral Communications: None.

Also Present: General Manager Cook, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Executive Director of Technical Services Burton, Executive Director of Water Policy Weghorst, Director of Strategic Communications and Advocacy / Deputy General Counsel Compton, Director of Water Resources Sanchez, Director of Recycling Operations Zepeda, Director of Human Resources Mitcham, Director of Water Quality and Regulatory Compliance Colston, Director of Safety and Security Choi, Director of Maintenance Manning, Director of Treasury Morris, Director of Information Services Kaneshiro, Secretary Bonkowski, Assistant Secretary Swan, General Counsel Collins, and members of the staff and public.

WORKSHOP

FISCAL YEARS 2023-24 AND 2024-25 OPERATING AND NON-OPERATING BUDGETS

General Manager Cook reported that the proposed Fiscal Year (FY) 2023-24 net Operating Budget is \$220.7 million, representing an increase of \$32.9 million or 17.5% over the prior year. The proposed FY 2024-25 net Operating Budget is \$234.5 million, representing an increase of \$13.8 million or 6.3% over FY 2023-24. Mr. Cook said that based on these proposed budgets, staff is recommending a rate increase of 9.9% for the average residential customer in each of these two fiscal years.

Using a PowerPoint presentation, Executive Director of Finance and Administration Clary said that the assumptions driving the proposed budgets and associated rates include both uncontrollable and controllable increases and reviewed the cost escalators in both areas. Using charts, Ms. Clary reviewed the key drivers of the budgets including salaries and benefits, purchased water, repairs and maintenance, and electricity. She further reviewed the proposed water and recycled water rates, recycled water savings for homeowner customers, proposed water and sewer service fixed monthly charges for system operation and maintenance, average yearly rate increase history, rate comparisons for water and sewer with other water agencies, proposed pumping surcharges by areas for potable and recycled water, water shortage contingency plan rates, and next steps which include a second workshop on April 24, Proposition 18 Notices to be mailed by May 12, and a public hearing / rate adoption on June 26. The budget would become effective July 1.

Director LaMar said that this item was reviewed by the Finance and Personnel Committee meeting, and that staff were very responsive to their questions. General Manager Cook thanked staff for their efforts in preparing these budgets.

CONSENT CALENDAR

On **MOTION** by LaMar, 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 March 27, 2023 Regular Board Meeting be approved as presented.

6. 2023 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board adopt support AB 246 (Papan), AB 727 (Weber), AB 735 (Berman), AB 1290 (Luz Rivas), AB 1594 (E. Garcia, D-Coachella), SB 414 (Allen), and SB 659 (Ashby); a “seek amendments” position on AB 1573 (Friedman); an “oppose unless amended” position on AB 754 (Papan), AB 755 (Papan), AB 838 (Connolly), and AB 1337 (Wicks); and an “oppose” position on AB 1072 (Wicks), SB 48 (Becker), SB 57 (Gonzalez), and SB 778 (Ochoa Bogh).

7. QUITCLAIM OF EXEMPT SURPLUS LAND

Recommendation: That the Board approve the quitclaim of the portion of exempt surplus property to Ms. Christine Martinez for one dollar.

8. RESCISSION OF LEVEL TWO WATER SHORTAGE DECLARATION

Recommendation: That the Board adopt the following resolution by title rescinding Resolution No. 2021-22 declaring water shortage Level Two (Significant Shortage Condition):

RESOLUTION NO. 2023-4

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
RESCINDING RESOLUTION NO. 2021-21
DECLARING WATER SHORTAGE LEVEL TWO
(SIGNIFICANT SHORTAGE CONDITION).

9. ORACLE SOFTWARE MAINTENANCE AND SUPPORT RENEWAL AGREEMENT

Recommendation: That the Board authorize the General Manager to execute the Oracle Software Maintenance and Support Renewal Agreement in the not-to-exceed amount of \$2,090,000 for a term of two years: from June 1, 2023 through May 31, 2025.

ACTION CALENDAR

10. NEWPORT BAY WATERSHED COOPERATIVE AGREEMENT

On MOTION by Swan, seconded by LaMar and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE COOPERATIVE AGREEMENT TO FUND TOTAL MAXIMUM DAILY LOAD PROGRAMS AND RELATED ACTIVITIES IN THE NEWPORT BAY WATERSHED (NO. MA-080-23010376).

OTHER BUSINESS

11. General Manager's Report

General Manager Cook reported on a \$4.7 million grant from the Bureau of Reclamation for Groundwater Banking in Kern Fan, and thanked staff for all of their efforts.

12. Oral Updates

Mr. Cook said that Consultant Newell was unable to attend the meeting this evening, but he relayed that all is going well in the canyon.

13. Directors' Comments

Director LaMar reported on his attendance at an ACWA Executive Committee meeting and Board meeting in Sacramento, a WACO meeting, and a Southern California Water Coalition Task Force meeting today.

Director Swan reported on his attendance at a San Joaquin Wildlife Sanctuary Board meeting, a MWDOC Board workshop and an annual Elected Officials forum, a WACO monthly meeting, a Southern California Dialogue meeting, a Newport Chambers of Commerce meeting, and an Urban Water Institute planning meeting.

Director Reinhart said that he attended the meetings on the list except for a SOCWA Board meeting.

Director McLaughlin reported on her attendance at a San Joaquin Wildlife Sanctuary Board meeting and a Southern California Water Coalition Task Force, but said she was unable to attend the WACO meeting.

14. Adjournment

At the request of Director Swan, President McLaughlin adjourned the meeting in memory of Mr. Ray Auerbach who served on the IRWD Board of Directors from 1979 through 1998.

APPROVED and SIGNED this 24th day of April 2023.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP