BOARD OF DIRECTORS

Agenda Report

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File #: 2025-4330   **Agenda Date:** 7/23/2025   **Agenda Item No:** 26.

FROM: Robert Thompson, General Manager

SUBJECT:

STRATEGIC PLAN: CYBERSECURITY/ARTIFICIAL INTELLIGENCE (AI) POLICY

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Information Item.

BACKGROUND

During the recent strategic planning session on March 19, cybersecurity and artificial intelligence (AI) received important feedback from the Board of Directors. Board members emphasized the importance of strengthening the Orange County Sanitation District's (OC San) cybersecurity posture while responsibly advancing AI adoption to support service delivery and efficiency.

This agenda item provides additional information in response to that feedback. The proposed Cybersecurity and AI Policy (Policy) reflects the Board's stated priorities and will be incorporated into OC San's new strategic plan. It outlines a dual focus: enhancing cybersecurity capabilities and implementing AI through a phased, ethical approach. The Policy builds on current efforts, including pilot programs and governance development, to ensure a secure and forward-looking technology framework.

RELEVANT STANDARDS

- Maintain and adhere to appropriate internal planning documents: Strategic Plan
- Sustain 1, 5, 20-year planning horizons
- Build brand, trust, and support with policy makers and community leaders

PROBLEM

As OC San advances its digital transformation, the agency must ensure that its technology practices safeguard data, systems, and operations, while also leveraging innovation to improve service delivery, operational efficiency, and decision-making.

PROPOSED SOLUTION

Update the current Cybersecurity Policy to include AI. The revised Policy outlines OC San's dual approach: securing our digital assets from evolving threats and strategically implementing AI in a phased, ethical, and transparent manner aligned with organizational goals.

PRIOR COMMITTEE/BOARD ACTIONS

March 2025 - Received and filed the Orange County Sanitation District - Strategic Plan Presentation which included information regarding Cybersecurity and discussion of a Proposed AI Policy.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Cybersecurity and Artificial Intelligence Policy
- Presentation