

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
Thursday, December 14, 2023, @ 12:00 p.m.

Director Yoh called the Administration and Finance Issues Committee meeting to order at 12:00 p.m. in Conference Room C-2 in Fountain Valley, CA. Public access was also provided via Zoom webinar. The Secretary called the roll and reported a quorum as follows:

Committee Members

Roger Yoh
Dina Nguyen (absent)
Valerie Amezcua
Natalie Meeks (absent)
Bruce Whitaker

OCWD staff

Jeremy Jungreis – General Counsel
Randy Fick - CFO/Treasurer
John Kennedy – Executive Director
Leticia Villarreal – Assistant District Secretary
Melissa Ochoa – Controller
Jason Dadakis – Executive Director

Alternates

Vacant
Denis Bilodeau
Steve Sheldon (absent)
Van Tran
Cathy Green

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Whitaker, seconded by Director Tran and carried [5-0-] as follows:

Ayes: Yoh, Amezcua, Whitaker, Bilodeau, Tran

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held November 9, 2023 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at December 20 Board meeting: Receive and file Summary Cash, and Cash Equivalents Control Reports dated November 30, 2023.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at December 20 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated November 30, 2023.

4. OCWD Personnel Manual Update

Recommended by Committee for approval at December 20 Board meeting: Approve the updated Personnel Manual effective December 21, 2023.

5. Purchase Reverse Osmosis End Cap Seals for RO Trains E, F, and G

Recommended by Committee for approval at December 20 Board meeting: Authorize issuance of a purchase order for 2,700 end cap seals from Protec Arisawa in an amount not to exceed \$108,000.

MATTER FOR CONSIDERATION

6. Award Chemical Contracts for Water Treatment Systems

Executive Director of Operations Mehul Patel shared that the GWRS AWPf uses a variety of chemicals as part of the treatment process. He stated five chemical contracts are set to expire in December 2023: citric acid, caustic soda, sodium hypochlorite, sulfuric acid and hydrogen peroxide. He stated they obtained multiple vendors quotes and chemical market pricing stabilized from an all-time high during the pandemic and all pricing had come down for an overall potential savings of \$2,082,500.

Upon motion by Director Whitaker, seconded by Director Yoh and carried [5-0], the Committee Recommended for approval at December 20 Board meeting: Authorize issuance of the following Agreements to vendors for the purchase of water treatment chemicals:

- 1) **Brenntag Pacific for supply and delivery of hydrogen peroxide, at \$500/ton with a 2% 10 net 30 term discount, to commence on January 1, 2024, for a period of one year with the option to renew for an additional six months;**
- 2) **Brenntag Pacific for supply and delivery of citric acid, at \$1,214/ton with a 2% 10 net 30 term discount, to commence on January 1, 2024, for a period of one year, with the option to renew for an additional six months;**
- 3) **JCI Jones for supply and delivery of sodium hypochlorite, at \$1.7219/gallon with a 2% 10 net 30 term discount, to commence on January 1, 2024, for a period of one year, with the option to renew for an additional six months;**
- 4) **Univar USA, Inc., for supply and delivery of sulfuric acid, at \$226/ton with a 2% 10 net 30 term discount, to commence on December 1, 2024, for a period of one year, with the option to renew for an additional six months; and;**
- 5) **Brenntag Pacific for supply and delivery of caustic soda, at \$676/ton with a 2% 10 net 30 term discount, to commence on December 1, 2024, for a period of one year, with the option to renew for an additional six months.**

INFORMATIONAL ITEMS

7. Preparation of Fiscal Year 2023-25 Budget

Treasurer/CFO Randy Fick highlighted some of the current budget issues and calendar for the budget process. He stated the budget document format would be similar as the past, no imported water purchases are projected in next year's budget, reduced groundwater producer groundwater pumping will continue with 4 part per trillion EPA MCL, maintain AAA credit rating and maintain BPP at 85%, continue funding Producer PFAS capital costs, and prepare for funding for additional 40-45 wells currently projected at \$270 million. He advised that to pay for the additional wells, OCWD would be delaying some discretionary capital projects, increasing the RA to generate funds, and will try to maximize and seek as many grants as possible. He noted the budget process takes about four months to complete, starting with today's kick off and ending in April with a Public Hearing to set the RA and BPP and approval of FY24-25 budget.

8. Monthly Cash Disbursements Report

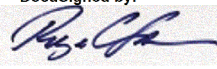
There was no discussion on this item.

**CHAIR DIRECTION AS TO WHICH ITEMS, IF ANY TO BE AGENDIZED AS MATTERS
FOR CONSIDERATION AT December 20 BOARD MEETING**

It was agreed to place all items on the Consent Calendar for the December 20 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:37 p.m.

DocuSigned by:

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Roger Yoh, Chair
