

MINUTES OF BOARD OF DIRECTORS MEETING  
ADMINISTRATION AND FINANCE ISSUES COMMITTEE  
ORANGE COUNTY WATER DISTRICT  
Thursday, December 15, 2022, @ 8:00 a.m.

Due to the continuing state of emergency declared by the Governor and pursuant to Government Code Section 54953(e), Director Yoh called the Administration and Finance Issues Committee to order via Zoom webinar. The Secretary called the roll and reported a quorum as follows:

Committee Members

Vacant  
Roger Yoh  
Dina Nguyen  
Kelly Rowe  
Nelida Mendoza

OCWD staff

Mike Markus – General Manager  
Jeremy Jungreis – General Counsel  
Randy Fick - CFO/Treasurer  
Christina Fuller – Asst. District Secretary

Alternates

Bruce Whitaker  
Gloria Ma'ae  
Cathy Green  
Denis Bilodeau  
Van Tran  
Steve Sheldon (absent)

**CONSENT CALENDAR**

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

***Ayes: Yoh, Nguyen, Rowe, Mendoza, Whitaker***

1. Minutes of Previous Meeting

**The minutes of the Administration/Finance Issues Committee meeting held November 10, were approved as presented.**

2. Monthly Cash Control Report

**Recommended by Committee for approval at December 21 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated November 30, 2022.**

3. Investment Portfolio Holdings Reports

**Recommended by Committee for approval at December 21 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated November 30, 2022.**

4. Biennial Review of OCWD Conflict of Interest Code

**Recommended by Committee for approval at December 21 Board meeting: Determine that no changes are necessary to the OCWD Conflict of Interest Code.**

5. Agreement to Bay Alarm for FHQ and Prado Fire Alarm System and Burglar System Replacement Project

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**Recommended by Committee for approval at December 21 Board meeting: Authorize issuance of Professional Services Agreement to Bay Alarm for an amount not to exceed \$55,944 for a replacement fire alarm system and burglar system at Field Headquarters and Prado.**

## MATTER FOR CONSIDERATION

### 6. Award Chemical Contracts for Water Treatment Systems

CFO/Treasurer Randy Fick reported that bulk chemicals are purchased from various vendors for the GWRS Advanced Water Purification Facility and Green Acres treatment processes. He stated that proposals were solicited for hydrogen peroxide, citric acid, sodium hypochlorite, sulfuric acid and caustic soda. Executive Director Mehul Patel advised that pricing on most chemicals has gone up due to rising freight/fuel costs. He noted that pricing for each chemical are comparable to what other local agencies are paying. Mr. Patel advised that the pandemic related supply chain issues play a large part in these price increases, in particular the cost of international freight since most of the chemicals are made overseas. He reported that the greatest increase is for sodium hypochlorite which is heavily influenced by increased transportation and raw material costs currently being experienced by manufacturers of this product. He stated that significant price increases are being seen by all treatment plant and industrial manufacturing processes that use large amounts of bulk chemical, particularly those using disinfectants, acids, bases, and phosphate-based chemicals.

**Upon motion by Director Whitaker, seconded by Director Yoh, and carried [5-0], the Committee recommended that the Board at its December 21 Board meeting: 1) Authorize issuance of Agreements for purchase of water treatment chemicals as follows: a) Hydrogen Peroxide: USP Technologies @ \$545/ton, b) Citric Acid: Brenntag Specialties, Inc. @ \$2760/ton c) Sodium Hypochlorite: Olin Corporation @ \$2.15/gal. (one year only), d) Sulfuric Acid: Univar Solutions USA @ \$248/ton (one year only), e) Caustic Soda (sodium hydroxide): Univar Solutions USA @ \$864/ton; and, 2) Authorize an increase to the Water Production Department Fiscal Year 2022-2023 General Fund budget in the amount of \$1,918,000 to cover the cost of chemical price increases.**

**Ayes: Yoh, Nguyen, Rowe, Mendoza, Whitaker**

## INFORMATIONAL ITEMS

### 7. Preparation of Fiscal Year 2023-24 Budget

Mr. Fick presented the Fiscal Year 2023-24 draft budget preparation schedule and previewed budget issues for the upcoming budget process.

### 8. Monthly Cash Disbursements Report

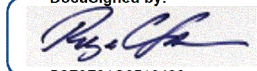
General Manager Mike Markus stated the information is contained in the packet.

## CHAIR DIRECTION AS TO WHICH ITEMS IF ANY TO BE AGENDIZED AS MATTERS FOR CONSIDERATION AT DECEMBER 21 BOARD MEETING

It was agreed to place all items on the Consent Calendar for the December 21 Board meeting.

## ADJOURNMENT

There being no further business, the meeting was adjourned at 8:45 a.m.

DocuSigned by:  
  
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1/23/2023  
Roger Yoh, Vice Chair