

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
March 6, 2024, 5:30 p.m.

President Green called to order the March 6, 2024 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. Following the Pledge of Allegiance to the Flag, the District Secretary called the roll and reported a quorum as follows. Public access was also provided via Zoom webinar.

Directors

Valerie Amezcua
Denis Bilodeau
Cathy Green
Dina Nguyen
Natalie Meeks
Stephen Sheldon
Van Tran
Erik Weigand
Bruce Whitaker
Roger Yoh

Staff

John Kennedy, General Manager
Jeremy Jungreis, General Counsel
Christina Fuller, District Secretary

VISITOR PARTICIPATION

There were no visitors wishing to address the Board this evening.

PRESENTATION TO MIKE MARKUS

Michelle Shoots, representative from Assembly Member Tri Ta's office, presented a resolution to former General Manager Mike Markus for his contributions to the water community.

CONSENT CALENDAR

The Consent Calendar was then approved upon motion by Director Meeks, seconded by Director Amezcua and carried [8-0] as follows.

Ayes: Amezcua, Bilodeau, Green, Meeks, Sheldon, Tran, Weigand, Yoh
Absent: Nguyen, Whitaker

1. Approval of Cash Disbursements

MOTION NO. 24-24
APPROVING CASH DISBURSEMENTS

Payment of bills for the period of February 15, 2024 through February 28, 2024 in the total amount of \$8,206,980.94 is ratified and approved.

ITEMS RECOMMENDED FOR APPROVAL AT PROPERTY MANAGEMENT COMMITTEE MEETING HELD FEBRUARY 23

2. Amendment to Lease with V. Montoya Enterprises, Inc. for Wholesale Container Nursery at 1184 N. Hewes Street, Orange

RESOLUTION NO. 24-3-14
AUTHORIZING AMENDMENT TO LEASE WITH V. MONTOYA ENTERPRISES, INC.
FOR WHOLESALE CONTAINER NURSERY

WHEREAS, pursuant to Resolution No. 09-4-52 adopted April 1, 2009, and subsequent amendments thereto, OCWD issued a Lease to V. Montoya Enterprises, Inc. (Montoya) for a wholesale Container nursery at 1184 No. Hewes Street, Orange; and

WHEREAS, the Property Management Committee of this Board has presented and recommended approval of Amendment Four to such Lease Agreement with Montoya to extend the termination date to March 31, 2029, and revise the Rent Schedule to reflect a 3% per annum rent increase.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment Four to such Lease Agreement with Montoya as described herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

3. Amendment to Lease with Sandwood Enterprises Inc. D.B.A. Orange County Sandbagger for Property Located At 2424 N. Batavia Street, Orange

RESOLUTION NO. 24-3-15
AUTHORIZING LEASE AMENDMENT WITH SANDWOOD ENTERPRISES INC.
DBA ORANGE COUNTY SANDBAGGER

WHEREAS, pursuant to Resolution No. 07-4-50 adopted April 4, 2007, and subsequent amendments thereto, OCWD entered into a lease agreement with Sandwood Enterprises, Inc., d.b.a. Orange County Sandbagger, for a sandbagging operation at 2424 No. Batavia Street in the City of Orange through March 31, 2017; and

WHEREAS, the Property Management Committee of this Board has recommended approval of Amendment No. Five to such lease to extend the Lease expiration date to March 31, 2029, with an option to extend the Lease for an additional five-year term, subject to mutual written consent of both parties.

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby approve Amendment Five to such Lease as outlined herein; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

ITEMS RECOMMENDED FOR APPROVAL AT RETIRMENT COMMITTEE MEETING HELD FEBRUARY 27

4. Retirement Committee “Employee” Vacancy AppointmentsMOTION NO. 24-25
APPROVING EMPLOYEE APPOINTMENTS TO THE RETIREMENT COMMITTEE

The following staff appointments to the OCWD Retirement Committee are hereby approved:

Sitting Member – Jason Dadakis (appointed for a two-year term),
Sitting Member – Kevin O’Toole (appointed for a two-year term),
First Alternate – Roy Herndon (appointed for one-year term), and
Second Alternate – Bill Leever (appointed for a one-year term)

5. 401(a) Money Purchase Retirement Plan Investment Line-Up And 457(b) Deferred Compensation Plan Red Flag Fund ReviewMOTION NO. 24-26
RECEIVING AND FILING 457(B) DEFERRED COMPENSATION PLAN LINE-UP REVIEW AND
401(A) RED FLAG FUND REVIEW

The 401(a) Money Purchase Retirement Plan and the 457(b) Deferred Compensation Plan investment portfolios are hereby received and filed and the following actions in connection with the funds are authorized.

SHARE CLASS CHANGES REVIEW 457(b)	
INVESTMENT FUNDS	ACTION
Principal Real Estate Securities R-6 (PFRSX)	Map to Principal Real Estate Securities Fund Institutional Class (PIREX)
JPMorgan Emerging Markets Equity R6 (RNWGX)	Map to JPMorgan Emerging Markets Equity I (JEMSX)
MFS International Growth R6 (MGRDX)	Map to MFS International Growth Fund Class R4 (MGRVX)
Delaware Ivy Mid Cap Growth R6 (IGRFX)	Map to Delaware Ivy Mid Cap Growth I (IYMIX)
PGIM High Yield R6 (PHYQX)	Map to PGIM High Yield Z (PHYZX)

SHARE CLASS CHANGES REVIEW 401(a)	
INVESTMENT FUNDS	ACTION
Carillon Scout Mid Cap R-6 (CSMUX)	Map to Carillon Scout Mid Cap Y (UMBMX)
Parnassus Core Equity Instl (PRILX)	Map to Parnassus Core Equity Inv (PRBLX)

SHARE CLASS 401(A) ITEMS FOR REVIEW	
INVESTMENT FUNDS	ACTION
Vanguard International Growth Adm (VWILX)	Red Flag
JPMorgan Mid Cap Growth R5 (JMGFX)	Keep Red flag
Carillion Scout Mid Cap R-6 (CSMUX)	Red Flag

SHARE CLASS 457 ITEMS FOR REVIEW	
INVESTMENT FUNDS	ACTION

Franklin Gold and Precious Metal Adv (FGADX)	No Action
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Directors Nguyen and Whitaker arrived during discussion of the following item.

INFORMATIONAL ITEMS

6. Proposed Fiscal Year 2024-25 Budget

CFO/Treasurer Randy Fick reviewed the fiscal year 2024-25 proposed budget in the total amount of \$247.6 million. He advised that the General Fund budget of \$105.2 million contains \$5.4 million for PFAS Treatment O&M costs for Producers with no increase to headcount. Mr. Fick stated that the water budget is proposed at \$6 million and includes 3,000 af of water purchases for the Alamitos Barrier. He reviewed the projects included in the CIP budget of \$59,383,777 and presented the remaining budget components. Mr. Fick stated that next fiscal year’s budget is based on an increased Replenishment Assessment of \$688/acre-foot and a Basin Production Percentage of 85%.

7. PFAS Update

Executive Director of Engineering and Water Resources Chris Olsen provided an update on PFAS treatment plant construction and current grant efforts with the regional board.

8. Committee/Conference/Meeting Reports

The Board reported on attendance at the following Committee meetings, noting the Action Agendas were included in tonight’s Board packet.


- February 23 – Property Management Committee
- February 27 – Retirement Committee

9. Verbal Reports


President Green reported that she met with the Department of Reclamation Forestry and the EPA in Washington, DC. Director Whitaker noted that he attended the Urban Water Institute Conference in Palm Springs. General Manager John Kennedy introduced new staff member Sheryl Parsons, Director of Natural Resources.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 6:30 p.m.

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Cathy Green, President

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Christina Fuller, District Secretary