

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
April 11, 2019 @ 8:00 a.m.

Director Ta called the Administration and Finance Issues Committee to order in Conference Room C-2 in Fountain Valley, CA. The Assistant District Secretary called the roll and reported a quorum of the Committee as follows.

Committee Members

Tri Ta
Roger Yoh
Dina Nguyen
Kelly Rowe
Ahmad Zahra

OCWD staff

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

Alternates

Cathy Green
Steve Sheldon
Jordan Brandman (absent)
Denis Bilodeau (absent)
Vicente Sarmiento

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Rowe and carried [5-0].

Ayes- Ta, Nguyen, Rowe, Green, Sheldon

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held March 14, 2019 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at April 17 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated March 31, 2019.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at April 17 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated March 31, 2019.

4. Additional Funds for Water Production R&R Fund 18003

Recommended by Committee for approval at April 17 Board meeting: Authorize issuance of additional funds in the amount of \$200,000 to the Water Production Refurbishment and Replacement account R18003.

5. PFAS Communications Outreach Plan

Recommended by Committee for approval at April 17 Board meeting: Authorize a contract with the RWJones Agency, not to exceed \$28,000, to create and implement a PFAS Communications Outreach Plan.

INFORMATIONAL ITEMS

6. Proposed FY 2019-20 General Fund Budget

CFO/Treasurer Randy Fick stated the proposed fiscal year 2019-20 General Fund budget totals \$73.1 million which provides funds for operating 21 cost centers. He advised the general fund budget includes the annual expenses to operate all District facilities including the Groundwater Replenishment System (GWRS), Green Acres Plant, the laboratory, recharge operations, and wetlands. Mr. Fick reported the proposed budget represents a 3.2 million increase over the current FY 2018-19 budget or an increase of 4.55%. He stated the increase is primarily due to two costs: (1) Wages and benefits which increased due to merit increases for performance and cost-of-living-adjustments, and (2) maintenance structure & improvements – Arundo removal.

7. Proposed FY 2019-20 Capital Improvement Program Budget

Director of Engineering Chris Olsen provided an overview of the proposed fiscal year 2019-20 Capital Improvement Program (CIP) budget totaling \$60.6 million for 13 projects. He presented the larger CIP items that are included in the proposed CIP Budget.

8. Update on OCWD Visitor Center

Executive Director Greg Woodside reported that staff is exploring the potential to construct a center to accommodate visitors and offer an expanded opportunity for local school field trips, including specific outreach to schools who serve disadvantaged communities. He advised that with a high interest in visiting OCWD's facilities, combined with the many regular business meetings that occur on OCWD's Fountain Valley campus, conference room availability has become more limited and existing space poses capacity restrictions that do not allow OCWD to serve large groups and conferences. Mr. Woodside stated that a new facility would also allow for proper display of the District's wildlife specimen collection. He reported that staff applied for a Proposition 68 Cultural, Community and Natural Resources grant to the California Natural Resources Agency for \$1.4 million in funding to support construction of a Santa Ana River Watershed and Wildlife Center. He advised that staff also met with a representative of the California Coastal Conservancy to explore another potential funding source and that staff is exploring funding opportunities with private foundations.

9. Employment Status Report

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

10. Monthly Cash Disbursements Report

There was no verbal report on this item.

ITEMS TO BE AGENDIZED ON CONSENT CALENDAR AT THE APRIL 17 BOARD MEETING

It was agreed to agendize Items No. 2-5 on the Consent Calendar at the April 17 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:00 a.m.



Tri Ta, Chair