

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
April 15, 2021, @ 8:00 a.m.

Due to the Governor's Executive Order N-25-20, Director Ta 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

Tri Ta
Roger Yoh
Dina Nguyen (absent)
Kelly Rowe
Nelida Mendoza

OCWD staff

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

Alternates

Jordan Brandman
Bruce Whitaker
Cathy Green
Denis Bilodeau
Steve Sheldon (absent)

CONSENT CALENDAR

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

Ayes: Ta, Yoh, Rowe, Mendoza, Whitaker

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held March 11, 2021 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at April 21 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated March 31, 2021.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at April 21 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated March 31, 2021.

4. Ultraviolet Light (UV) Equipment Supply

Recommended by Committee for approval at April 21 Board meeting: Authorize issuance of Purchase Order to DC Frost Associates for the purchase of 1,080 UV lamps in the amount of \$213,134, including estimated freight.

5. Additional Funds for Water Production R&R Fund 20024

Recommended by Committee for approval at April 21 Board meeting: Authorize issuance of additional funds in the amount of \$200,000 to the Water Production Refurbishment and Replacement account R20024.

MATTER FOR CONSIDERATION

6. Replacement of the Letter of Credit and Remarketing Agent for the District's 2003A Debt

CFO/Treasurer Randy Fick stated that the District currently has \$129.815 million in outstanding variable rate debt Series 2003A and reported that the Letter of Credit provider, Citibank, will not renew the agreement which will expire on May 24, 2021. He recalled that the preparation of the necessary documents to secure a Letter of Credit with Bank of America and Morgan Stanley as Remarketing Agent was approved at the March 17 Board meeting. Mr. Fick advised that a draft of the following documents has been prepared for Board review and provided a description of each document:

- Resolutions
- Fee Letter
- Remarketing Agreement
- Reimbursement Agreement
- Third Supplement to the Official Statement

Mr. Fick noted that this matter will also be on the agenda of the OCWD Public Facilities Corporation meeting to be held April 21 for approval of the replacement of the Citibank Letter of Credit and approval of the forms of the Reimbursement Agreement and Fee Letter.

Upon motion by Director Whitaker, seconded by Director Rowe, and carried [5-0], the Committee recommended that the Board at its April 21 meeting: Adopt Resolutions authorizing execution and delivery of Fee Letter, Remarketing Agreement, Reimbursement Agreement, and the Third Supplement to the Official Statement to secure a Letter of Credit with Bank of America and add Morgan Stanley as the remarketing agent for the 2003A variable rate debt.

Ayes - Ta, Yoh, Rowe, Mendoza, Whitaker

INFORMATIONAL ITEMS

7. Proposed FY 2021-22 General Fund Budget

Mr. Fick reported that the proposed FY 2021-22 General Fund budget totals \$73.1 million which provides funds for operating 21 cost centers. He stated that this represents a \$2.0 million (2.81%) increase from the current FY 2020-21 budget. He advised that the increase is primarily due to Producer PFAS O&M costs, and the addition of one Lab chemist.

8. Employment Status Report

General Manager Mike Markus stated that the report is contained in today's packet.

9. Monthly Cash Disbursements Report

There was no discussion of this item.

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

It was agreed to place item No. 6 as a Matter for Consideration at the April 21 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:25 a.m.

DocuSigned by:
Christina Fuller
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Christina Fuller, Assistant District Secretary