

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
April 9, 2020 @ 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 telephonically. Members of the Board and the public participated telephonically. The Assistant District Secretary called the roll and reported a quorum as follows:

Committee Members

Tri Ta
Roger Yoh
Dina Nguyen
Kelly Rowe
Denis Bilodeau

OCWD staff

Mike Markus – General Manager
Jeremy Jungreis – General Counsel
Randy Fick - CFO/Treasurer
Bruce Dosier – Director of Property Management/IS
Christina Fuller – Assistant District Secretary

Alternates

Cathy Green
Steve Sheldon
Jordan Brandman
Ahmad Zahra
Vicente Sarmiento

CONSENT CALENDAR

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

Yes - Ta, Yoh, Nguyen, Rowe, Green

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held March 12, 2020 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at April 15 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated March 31, 2020.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at April 15 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated March 31, 2020.

4. Proposed Orange County Local Agency Formation Commission Dues Restructuring

Recommended by Committee for approval at April 15 Board meeting: Authorize the District to vote for the new proposed LAFCO funding formula.

5. Amendment No. 1 To Agreement with Lhoist North America for the Supply and Delivery of Lime
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Recommended by Committee for approval at April 15 Board meeting: Authorize Issuance of Amendment No. 1 to Agreement No. 1298 with Lhoist North America for supply and delivery of hydrated lime at the rate of \$260.22 per ton for a period of two years with an option to renew for an additional term of two years at an amount agreed to by both parties.

MATTERS FOR CONSIDERATION

6. Appointment for Orange County LAFCO Regular Special District Member Seat

General Manager Mike Markus stated the term of office for one of the Orange County Local Agency Formation Commission (LAFCO) Regular Special District Member seats, currently held by James Fidler, will expire on June 30, 2020. He reported that Mr. Fidler is seeking District support for his reelection. He advised that the Board must also designate a voting member to cast OCWD's ballot in the upcoming election. Director Green requested that the Committee nominate Jim Fidler for the LAFCO Regular Special District seat and designate the Board President to cast the vote.

Upon motion by Director Green seconded by Director Yoh and carried [5-0], the Committee recommended that the Board at its April 15 meeting: Nominate Jim Fidler for the Orange County LAFCO Regular Special District seat and designate the Board President to cast OCWD's vote in the upcoming LAFCO Regular Special Districts election.

Yes - Ta, Yoh, Nguyen, Rowe, Green

7. Temporary Waiver of Rent for District Lessees Required to Shut Down Business Due to Statewide Order to Stay at Home and Shut Down All Nonessential Businesses
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Mr. Markus reported that in accordance with the Governor Newsom issued Executive Order (N-33-20), Corona Recreation, Inc., Elaine Raahauge DBA Mike Raahauge Shooting Enterprises, Inc. (MRSE) and NSM Golf, LLC DBA The Islands Golf Center (NSM Golf) have temporarily shut down operations until otherwise directed by the state. He advised that Corona Recreation, MRSE and NSM Golf have requested a temporary suspension of rent, until the order is lifted, to help offset the revenue lost from their business closures. He reported that staff is recommending that the Board authorize the General Manager discretionary authority to waive the rent for District Lessees having to temporarily shut down their businesses while the Executive Order is in place.

Upon motion by Director Rowe seconded by Director Yoh and carried [5-0], the Committee recommended that the Board at its April 15 meeting: Authorize the General Manager discretionary authority to waive the rent for District Lessees required to shut down their business while Executive Order N-33-20 is in place.

Yes - Ta, Yoh, Nguyen, Rowe, Green

INFORMATIONAL ITEMS

8. Proposed FY 2020-21 General Fund Budget

CFO/Treasurer Randy Fick stated the proposed fiscal year 2020-21 General Fund budget totals \$71.1 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 \$2.0 million decrease from the

current FY 2019-20 budget or a decrease of 2.74%. He advised the decrease is primarily due to two costs: (1) purchased services, and (2) maintenance structure & improvements.

9. Fullerton College Drone Program and Potential Benefit to OCWD

Director of IS/Property Management Bruce Dosier recalled that at the February 28 Property Management Committee, Professor Jay Seidel, head of the drone technology program at Fullerton College, presented to the committee about the Fullerton Drone Lab. He recalled that Professor Seidel stated he is seeking opportunities for his students in the form of internships and apprenticeships with OCWD, and/or to provide his students an opportunity for fieldwork to collect data for training purposes. He stated that in return, the District could use all the data gathered during field training classes on OCWD land and be provided other related drone services as requested. Mr. Dosier reported that the Committee noted that OCWD could potentially have numerous uses for the drone program and directed staff to prepare a list of potential drone services that would benefit OCWD. He advised that staff has compiled a list of potential benefits to the Engineering, Planning & Natural Resources & Operations Departments. He reported that staff recommends continuing discussions with Professor Seidel to allow short term use of OCWD facilities. He advised that any agreement longer than six months would be brought back to the Board for approval. Director Rowe stated he is supportive of LiDAR surveying in Prado Wetlands area.

10. Monthly Cash Disbursements Report

Director Ta stated the report was in today's packet.

11. Employment Status 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 15 BOARD MEETING

It was agreed to place items No. 2-7 on the Consent Calendar for the for the April 15 Board meeting agenda.

ADJOURNMENT

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

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Tri Ta, Chair