

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
August 15, 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 Secretary called the roll and reported a quorum of the Committee as follows.

Committee Members

Tri Ta
Roger Yoh
Dina Nguyen (absent)
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 (absent)
Jordan Brandman
Denis Bilodeau
Vicente Sarmiento (absent)

CONSENT CALENDAR

Director Rowe requested that Item No. 6, *Adoption of the Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan for 2018*, be removed from the Consent Calendar. The remainder of the Consent Calendar was approved upon motion by Director Green, seconded by Director Rowe and carried [5-0].

Ayes - Ta, Yoh, Rowe, Zahra, Green

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held July 11, 2019 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at August 21 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated July 31, 2019.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at August 21 Board meeting: Receive and File the Investment Portfolio Holdings Reports dated July 31, 2019.

4. Ultraviolet Light (UV) Equipment Supply

Recommended by Committee for approval at August 21 Board meeting: Authorize issuance of Purchase Order to DC Frost Associates for the purchase of 1,080 UV lamps in the amount of \$209,382.

5. Surplus of Equipment, Vehicles, Miscellaneous Furniture and Computer Hardware

Recommended by Committee for approval at August 21 Board meeting: Declare items on Surplus List as of August 6, 2019, surplus and authorize the sale and disposal thereof.

6. Adoption of the Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan for 2018

This item was removed from the consent calendar and considered separately.

7. Association of California Water Agencies (ACWA) Region 10 Election for 2020-2021 Term

Recommended by Committee for approval at August 21 Board meeting: Cast ballot for the ACWA Region 10 Nominating Committee recommended slate of candidates.

MATTERS FOR CONSIDERATION

6. Adoption of the Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan for 2018

Director Rowe suggested that OCWD staff be actively involved with the Water Emergency Response Organization of Orange County (WEROC) program moving forward and inquired about who will assume the role of the WEROC coordinator. General Manager Mike Markus stated he will provide that information once it becomes available.

Upon motion by Director Rowe seconded by Director Zahra and carried [5-0], the Committee recommended that the Board at its August 21 meeting: Approve and adopt the revised Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan.

Ayes: Ta, Yoh, Rowe, Zahra, Green

8. Actuarial Valuation of Retiree Medical Insurance Benefit Plan Update

CFO/Treasurer Randy Fick stated that the actuarial valuation of the retiree medical insurance benefit plan has been updated as of June 30, 2018 by the District's actuary, Bartel Associates, LLC. Mary Beth Redding, Vice President from Bartel Associates, LLC, presented the actuarial valuation. She reported that there were no changes in actuarial assumptions or benefit terms from June 30, 2017 measurement date to the June 30, 2018 measurement date with the updated valuation. Ms. Redding stated that subsequent to the June 30, 2018 measurement date, the District contributed an additional \$6 million to the Trust over the Actuarial Determined Contribution, which will be reflected in the next valuation in FY19-20 (June 30, 2019 measurement date) and \$1.5 million, which will be reflected in the next valuation in FY20-21 (June 30, 2020 measurement date).

Upon motion by Director Green, seconded by Director Zahra and carried [5-0], the Committee recommended that the Board at its August 21 meeting: Receive and file the Orange County Water District actuarial report dated July 31, 2019 with a measurement date as of June 30, 2018.

Ayes: Ta, Yoh, Rowe, Zahra, Green

INFORMATIONAL ITEMS

9. Disadvantaged Communities Educational Program

Director of Public Affairs Eleanor Torres advised that the Proposition 1 Integrated Regional Water Management (IRWM) grant program allocates \$63 million to the Santa Ana Funding Area, which includes northern Orange County. She reported the bond specifies that 10% of these funds be spent on projects that benefit disadvantaged communities and also specifies that an additional 10% be spent to involve disadvantaged communities (DACs) in the IRWM program referred to as the Disadvantaged Communities Involvement (DCI) program. Ms. Torres stated that one component of the DCI program provides up to \$500,000 in grants to develop and conduct a DCI program that educates citizens about IRWM and the watershed. She advised that District staff propose to submit a grant application to conduct a DCI educational program. She stated there is no matching fund requirement to receive this grant so there would be no cost to the District to conduct this program. She noted that applications for DCI grants will be accepted starting in September 2019.

10. 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 AUGUST 21 BOARD MEETING

It was agreed to place items No. 2-8 on the consent calendar for the August 21 Board meeting agenda.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:55 a.m.



Tri Ta, Chair