

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
Thursday, February 13, 2025 @ 12:00 p.m.

Director Green called the Administration and Finance Issues Committee meeting to order at 12:00 p.m. in Conference Room C-2 in Fountain Valley, CA. Public access was also provided via Zoom webinar. The Secretary called the roll and reported a quorum as follows:

Committee Members

Roger Yoh (arrived 12:02 p.m.)
Valerie Amezcua
Dina Nguyen
Fred Jung (arrived 12:02 p.m.)
Cathy Green

Alternates

Erik Weigand
Van Tran
Natalie Meeks
Steve Sheldon (absent)
Denis Bilodeau

OCWD staff

John Kennedy – General Manager
Randy Fick – Treasurer/CFO
Melissa Ochoa – Controller
Chris Olsen – Executive Director of Engineering
Mehul Patel – Executive Director
Stephanie Dosier – Director of Human Resources
Bruce Dosier – Director of IS
Jeremy Jungreis – General Counsel
Leticia Villarreal – Assistant District Secretary

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Amezcua and carried [5-0] as follows:

Ayes: Yoh, Amezcua, Nguyen, Jung, Green

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held January 9, 2025, were approved as presented.

2. Monthly Cash Control Reports

Recommended by Committee for approval at February 19 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated December 31, 2024 and January 31, 2025.

3. Investment Portfolio Holdings Report

Recommended by Committee for approval at February 19 Board meeting: Receive and file the Investment Portfolio Holdings Reports dated December 31, 2024.

4. Investment Portfolio Holdings Report

Recommended by Committee for approval at February 19 Board meeting: Receive and file the Investment Portfolio Holdings Reports dated January 31, 2025.

5. Agreement to Utility Audit, Inc for Utility Bill Auditing Services

Recommended by Committee for approval at February 19 Board meeting: Approve and authorize execution of Agreement to Utility Audit, Inc. to provide Utility Bill Auditing Service for a one-year period, for a fee of 40% of refunds/credits identified and received by the District.

6. Request for Proposals for Audit Services

Recommended by Committee for approval at February 19 Board meeting: Authorize issuance of Request for Proposals for independent auditing services to include the District's fiscal audit, Single Audit (if required), Money Purchase Plan audit, 457 Plan audit and Ratio analysis.

7. Updated Master Services Agreement with NeoGov

Recommended by Committee for approval at February 19 Board meeting: Approve the updated master services agreement with NeoGov.

8. Termination of North Basin Groundwater Protection Project and Expense Charges to C07013 through C07017, and Ratify Payment of U.S. Environmental Protection Agency Invoice for Two Years of North Basin Oversight

Recommended by Committee for approval at February 19 Board meeting: 1) Authorize staff to expense \$5,402,916 charged to capital project numbers C07013 through C07017 for the North Basin Groundwater Protection Project due to the District terminating that project; and 2) Ratify payment of the U.S. Environmental Protection Agency invoice of \$249,603 for two years (10/01/2022 – 09/30/2024) of oversight and deliverable review associated with the District conducting a remedial investigation and feasibility study for the North Basin Interim Remedy and increase the Hydrogeology budget for Special Department Expenses by \$249,603 in FY 2024-25.

9. SPLAN Software

Recommended by Committee for approval at February 19 Board meeting: Approve and authorize the execution of an Agreement with SPLAN for a one-time implementation cost of \$3,634 and an ongoing annual subscription cost of \$3,836 with final agreement to be approved by General Manager and General Counsel.

10. Limited-Term Employment Request for an Environmental Monitoring/Permitting Specialist

Recommended by Committee for approval at February 19 Board meeting: Authorize renewal of a Limited-Term Employment Contract to Alec Mang as an Environmental Specialist Field Biologist for a three-year term.

11. Limited-Term Employment Request for an Environmental Monitoring/Permitting Specialist

Recommended by Committee for approval at February 19 Board meeting: Authorize advertisement of a three year Limited-Term Employment Agreement for an Environmental Monitoring/Permitting Specialist.

MATTERS FOR CONSIDERATION

12. Budget to Actual Report for Second Quarter FY 2024-25

Controller Melissa Ochoa reported that General Fund operations expenditures are \$1.9 million less than the revised year-to-date budget. She stated the savings is primarily attributed to lower-than-planned expenses in the Forebay Operations, Lab, and Hydrogeology departments. She advised that debt service expenditures are \$1.2 million under budget, mainly due to lower variable interest rates on its 2003A certificate of participation debt. Ms. Ochoa noted that the Replacement and Refurbishment (R&R) costs are significantly under budget by \$6.2 million, since \$4.5 million of R&R projects scheduled for late 2024 were delayed and are expected to continue into spring 2025. She

stated that water purchases are \$1.2 million less than budgeted, reflecting elevated basin levels that have reduced the need for water purchases for injection into the Alamitos Barrier to maintain protective levels to hold back seawater intrusion.

Upon motion by Director Green, seconded by Director Yoh and carried [5-0], the Committee Recommended for approval at February 19 Board meeting: Receive and file the Budget to Actual Report for Second Quarter of Fiscal Year 2024-25 ending December 31, 2024.

Ayes: Yoh, Amezcua, Nguyen, Jung, Green

13. Seal Beach Well Construction Loan Agreement

General Manager John Kennedy reminded the Committee that this is a new program where local producers are loaned money to help get the groundwater pumping back online or to increase groundwater pumping. Executive Director of Engineering Chris Olsen presented the first loan application for consideration from the City of Seal Beach for \$4.45 million over a 20 year term. He shared that General Counsel Jeremy Jungreis worked with the City of Seal Beach counsel to refine the language on the agreement which will be the new template agreement going forward. Staff recommended approving and executing the loan agreement for the wellhead treatment system which will allow the City of Seal Beach to pump up to the 85% basin production percentage.

Upon motion by Director Green, seconded by Director Amezcua and carried [5-0], the Committee Recommended for approval at February 19 Board meeting: Approve the Agreement with the City of Seal Beach.

Ayes: Yoh, Amezcua, Nguyen, Jung, Green

14. Establish Audiovisual Project Budget and Authorize Services Agreement to Western Audio Visual and Security (WAVS) for Audiovisual Equipment and Services for Boardroom and Conference Rooms

Director of IS Bruce Dosier shared that the audiovisual systems in the Boardroom, C2 and C3 conference rooms, installed 12 years ago by Integrated Media Systems (IMS), have reached the end of their life. He recalled that in November the Committee approved issuing an RFP for system replacement. He reported that after evaluating four proposals, the District and MWDOC staff have identified Western Audio Visual and Security (WAVS) as the best fit to meet both current and future requirements.

Upon motion by Director Amezcua, seconded by Director Yoh and carried [5-0], the Committee Recommended for approval at February 19 Board meeting: 1) Establish a project budget for Audiovisual Equipment and Services of \$545,000, with reimbursement from the Municipal Water District of Orange County (MWDOC) of 33.6% of shared facility costs of up to approximately \$167,000; and 2) Authorize issuance of a Services Agreement to WAVS for an amount not to exceed \$504,000 for the purchase, configuration, installation, and commissioning of equipment and services to replace the existing audiovisual systems in the Boardroom and C2 and C3 Conference Rooms.

Ayes: Yoh, Amezcua, Nguyen, Jung, Green

INFORMATIONAL ITEM

15. Monthly Cash Disbursements Report

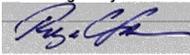
There was no discussion on this item.

**CHAIR DIRECTION AS TO WHICH ITEMS, IF ANY TO BE AGENDIZED AS MATTERS
FOR CONSIDERATION AT FEBRUARY 19 BOARD MEETING**

It was agreed to place all items on the Consent Calendar for the February 19 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:40 p.m.

DocuSigned by:


6672F94C66F46400...

Roger Yoh, Chair