

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
Thursday, April 11, 2024 @ 12:00 p.m.

Director Yoh 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
Dina Nguyen (arrived 12:02 p.m.)
Valerie Amezcua
Natalie Meeks (absent)
Bruce Whitaker

Alternates

Erik Weigand
Denis Bilodeau
Steve Sheldon
Van Tran (arrived 12:02 p.m.)
Cathy Green

OCWD staff

Randy Fick – Treasurer/CFO
John Kennedy – General Manager
Jeremy Jungreis – General Counsel
Melissa Ochoa – Controller
Jason Dadakis – Executive Director
Mehul Patel – Executive Director
Lisa Haney – Executive Director
Chris Olsen – Executive Director
Bruce Dosier – Director of IS/Property Management
Leticia Villarreal – Assistant District Secretary

CONSENT CALENDAR

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

Ayes: Yoh, Nguyen, Amezcua, Whitaker, Weigand

1. Minutes of Previous Meeting

The minutes of the Administration/Finance Issues Committee meeting held March 14, 2024 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, 2024.

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, 2024.

4. Authorize Purchase Order to Bender CCP for Repair of Five RO High Pressure Feed Pumps

Recommended by Committee for approval at April 17 Board meeting: Authorize issuance of a purchase order to Bender CCP in the amount of \$297,461 for repair of five reverse osmosis high pressure feed pumps for RO units F02, F03, G01, G02 and G03 and establish a total project budget of \$500,000.

5. Amendment No. 4 to Agreement No. 1298 with Lhoist North American for the Supply and Delivery of Lime

Recommended by Committee for approval at April 17 Board meeting: Authorize issuance of Amendment No.4 to Agreement No.1298 with Lhoist North America for the supply and delivery of hydrated lime at the rate of \$448.16 per ton for a period of 14 months.

6. Additional Funds for Water Production R&R Fund 23008

Recommended by Committee for approval at April 17 Board meeting: Authorize issuance of additional funds in the amount of \$800,000 to the Water Production Refurbishment and Replacement account R23008.

INFORMATIONAL ITEMS

7. Proposed FY2024-25 General Fund Budget

CFO/Treasurer Randy Fick reported that the proposed FY 2024-25 General Fund Budget totals \$110.6 million, a \$9.2 million increase from the current FY 2023-24 budget. He advised that the increase is primarily due to three costs: 1) GWRS electricity cost increases, 2) wages and benefits due to 4.5% cost-of-living adjustment and 3% merit based on the employee's performance, and 3) 50% of the Producer's PFAS operations and maintenance cost increases due to more treatment systems online and projected reside changeouts.

8. Proposed Fiscal Year 24-25 Budget Option

Mr. Fick presented the Board with an alternative five-year projection that would lower the RA increases over the next five years. He shared it would be difficult to project out the RA over five-years due to several factors. He revealed staff developed an option for reducing the RA at \$668/af versus the originally recommended \$688/af. He reported that doing so would result in more interest costs incurred due to a longer repayment schedule and a possible negative impact to the District's AAA credit rating. The Committee commented that the alternative option would be too costly an option.

9. Monthly Cash Disbursement Report

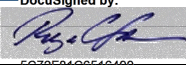
No discussion on this item.

CHAIR DIRECTION AS TO WHICH ITEMS, IF ANY TO BE AGENDIZED AS MATTERS FOR CONSIDERATION AT APRIL 17 BOARD MEETING

It was agreed to place all items on the Consent Calendar for the April 17 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:48 p.m.

DocuSigned by:


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Roger Yoh, Chair