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**CALL TO ORDER**

A regular meeting of the Administration Committee of the Orange County Sanitation District was called to order by Board Chairman Chad Wanke on Wednesday, June 12, 2024 at 5:01 p.m. in the Administration Building of the Orange County Sanitation District. Director John Withers led the pledge of allegiance.

**ROLL CALL AND DECLARATION OF QUORUM:**

Assistant Clerk of the Board Tina Knapp declared a quorum present as follows:

**PRESENT:** Brad Avery, Pat Burns, Rose Espinoza, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke, John Withers and Ted Bui (Alternate)

**ABSENT:** Farrah Khan, Christine Marick and Jordan Nefulda

**STAFF PRESENT:** Rob Thompson, General Manager; Lorenzo Tyner, Assistant General Manager; Mike Dorman, Director of Engineering; Laura Maravilla, Director of Human Resources; Riaz Moinuddin, Director of Operations and Maintenance; Wally Ritchie, Director of Finance; Lan Wiborg, Director of Environmental Services; Tina Knapp, Assistant Clerk of the Board; Mo Abiodun; Jennifer Cabral; Jackie Castro; Thys DeVries; Brian Engeln; Justin Fenton; Al Garcia; Tom Meregillano; Rob Michaels; Thomas Vu; and Ruth Zintzun were present in the Board Room.

**OTHERS PRESENT:** Omar Sandoval, General Counsel, was present in the Board Room.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Wanke stated that the July Administration Committee meeting will be held one week later, on July 17, due to the Independence Day holiday.

General Manager Rob Thompson did not provide a report.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES**

[2024-3641](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve minutes of the Regular meeting of the Administration Committee held May 8, 2024.

**AYES:** Brad Avery, Pat Burns, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Rose Espinoza, Farrah Khan, Christine Marick, Jordan Nefulda and Ted Bui (Alternate)

**ABSTENTIONS:** None

2. **GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2024-25** [2024-3382](#)

**Originator:** Wally Ritchie

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Adopt Resolution No. OC SAN 24-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing the Annual Appropriations Limit for Fiscal Year 2024-25 for the Orange County Sanitation District in Accordance with the Provisions of Division 9 of Title 1 of the California Government Code".

**AYES:** Brad Avery, Pat Burns, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Rose Espinoza, Farrah Khan, Christine Marick, Jordan Nefulda and Ted Bui (Alternate)

**ABSTENTIONS:** None

3. **FY 2024-25 USE CHARGES FOR SANTA ANA WATERSHED PROJECT AUTHORITY** [2024-3582](#)

**Originator:** Wally Ritchie

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Adopt Resolution No. OC SAN 24-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Use Charges for the 2024-25 Fiscal Year Pursuant to the Wastewater Treatment and Disposal Agreement with the Santa Ana Watershed Project Authority ("SAWPA")".

**AYES:** Brad Avery, Pat Burns, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Rose Espinoza, Farrah Khan, Christine Marick, Jordan Nefulda and Ted Bui (Alternate)

**ABSTENTIONS:** None

**NON-CONSENT:**

**4. FY 2024-25 PROPERTY - LIABILITY INSURANCE RENEWALS [2024-3642](#)**

**Originator:** Wally Ritchie

Director of Finance Wally Ritchie provided a verbal report of the FY 2024-25 Property - Liability Insurance Renewals.

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve the Orange County Sanitation District FY 2024-25 Property-Liability Insurance Renewals included in the FY 2024-25 Budget for the not-to-exceed amounts specified below:

Property and Boiler & Machinery - Not to Exceed	\$2,906,254
Excess General Liability Insurance - Not to Exceed	\$1,704,203
Excess Workers' Compensation Insurance - Not to Exceed	\$ 437,293
Earthquake Insurance - Not to Exceed	\$ 222,583
<b>TOTAL</b>	<b>\$5,270,333</b>

**AYES:** Brad Avery, Pat Burns, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Rose Espinoza, Farrah Khan, Christine Marick, Jordan Nefulda and Ted Bui (Alternate)

**ABSTENTIONS:** None

*Director Rose Espinoza arrived at the meeting at 5:08 p.m. and Alternate Director Ted Bui arrived at the meeting at 5:09 p.m., both during the presentation for Item No. 5.*

**5. PROPOSED FISCAL YEAR 2024-25 AND FISCAL YEAR 2025-26 BUDGET [2024-3383](#)**

**Originator:** Wally Ritchie

Ms. Knapp indicated that the presentation for this item was sent to the Committee and made available to the public earlier today. Mr. Ritchie introduced the item and introduced Finance and Procurement Manager Ruth Zintzun who provided a PowerPoint presentation regarding the FY 2024-25 and FY 2025-26 Budget. The presentation included an overview of revenues, expenses, the proposed FY 2024-25 net CIP, the 20-year net CIP, and debt service. Mr. Ritchie presented the remaining

slides which included an overview of cash flow, a summary of the FY 2024-25 and FY 2025-26 budget, and key meeting dates.

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2024-25 and FY 2025-26 as follows:

	<b>FY 2024-25</b>	<b>FY 2025-26</b>
Net Operating	\$232,674,493	\$239,114,716
Self-Insurance - Workers' Comp.	1,124,029	1,182,835
Self-Insurance - Property & Gen. Liability	4,402,500	4,767,000
Net Capital Improvement Program	223,075,113	279,436,128
Debt/COP Service	61,027,421	60,431,104
Intra-District Joint Equity Purchase/Sale <sup>(1)</sup>	3,500,000	3,500,000
<b>Total</b>	<b>\$525,803,556</b>	<b>\$588,431,783</b>

(1) Cash to/from Revenue Area 14 (RA14) in exchange for capital assets to/from Consolidated Revenue Area 15 (RA15)

**AYES:** Brad Avery, Pat Burns, Rose Espinoza, Ryan Gallagher, Andrew Nguyen, Robbie Pitts, David Shawver, Chad Wanke, John Withers and Ted Bui (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan, Christine Marick and Jordan Nefulda

**ABSTENTIONS:** None

**INFORMATION ITEMS:**

**6. CRITICAL ASSET IDENTIFICATION AND PROCUREMENT RISK MITIGATION** [2024-3643](#)

**Originator:** Mike Dorman

Director of Engineering Mike Dorman introduced the item and introduced Engineering Manager Justin Fenton who provided a PowerPoint presentation regarding critical asset identification and procurement risk mitigation which included an overview of the warehouse and supply chain, general approach, a summary of results, and next steps.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS, IF ANY:**

None.

**BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:**

None.

**ADJOURNMENT:**

Chair Wanke declared the meeting adjourned at 5:27 p.m. to the next Regular Administration Committee meeting to be held on Wednesday, July 17, 2024 at 5:00 p.m.

Submitted by:

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Tina Knapp, MMC  
Assistant Clerk of the Board