



**MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
ORANGE COUNTY POWER AUTHORITY**

Tuesday, March 19, 2024

1. CALL TO ORDER

Chair Jung called to order the Regular Meeting of the Orange County Power Authority Board of Directors at 10:01 a.m. on Tuesday, March 19, 2024.

2. PLEDGE OF ALLEGIANCE

Alternate Director Traut led the Pledge of Allegiance.

3. ROLL CALL

Present:	Alt. Director Connor Traut	City of Buena Park
	Director Tammy Kim	City of Irvine
	Vice Chair Kathleen Treseder	City of Irvine
	Chair Fred Jung	City of Fullerton
	Director Casey McKeon	City of Huntington Beach

4. PUBLIC COMMENTS ON AGENDA ITEMS – None.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS – None.

**6. DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS
ATTENDED – None.**

7. CLOSED SESSION

Recess to Closed Session

At 10:05 a.m., Chair Jung called on Interim General Counsel Norvell to recess the Board to closed session to discuss Items 7.1, 7.2, and 7.3 on the agenda. Interim General Counsel Norvell announced the Board was recessing to closed session. The following Board Members were present: Kim, Treseder, McKeon, Traut, and Jung. Also present was Board Counsel Norvell.

1. PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code Section § 54957(b)(1)
Title: Chief Executive Officer

2. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Fred Jung, Board Chair; Nicholas Norvell,
General Counsel
Unrepresented employee: Chief Executive Officer

3. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Initiation of litigation pursuant to Government Code Section § 54956.9(d)(4): One (1) potential case

Reconvene

At 10:29 a.m., the regular meeting of the Orange County Power Authority Board of Directors reconvened with the following present: Directors Traut, McKeon, Kim, Treseder, and Jung.

General Counsel Norvell reported out of closed session that the Board met in Closed Session and discussed Items 7.1, 7.2, and 7.3 as listed on the agenda, and there was no reportable action taken.

8. **COMMITTEE REPORTS**

1. **COMMUNITY ADVISORY COMMITTEE UPDATE**

Community Engagement Manager Kraemer provided the report from their March 11, 2024, Committee Meeting.

9. **CONSENT CALENDAR**

ACTION

Director Treseder made the motion, seconded by Director Kim to:

Approve consent calendar items 9.1 – 9.6.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Director Treseder, Director Kim, Director McKeon, Alt. Director Traut
Noes:	None
Absent:	None

1. **MINUTES FOR THE REGULAR BOARD MEETING OF FEBRUARY 20, 2024**

Action Taken:

Approved as submitted.

2. **REGULATORY AND LEGISLATIVE UPDATE**

Action Taken:

Received and filed.

3. MARKETING AND COMMUNICATIONS COMMITTEE UPDATE

Action Taken:

Received and filed.

4. PUBLIC RECORDS ACT REPORT

Action Taken:

Received and filed.

5. APPROVE THE UPDATE TO THE PROCUREMENT POLICY

Action Taken:

Approved the Amendment to Policy No. 1, Procurement Policy.

6. AMENDMENTS TO PERSONNEL POLICIES MANUAL

Action Taken:

Adopted sections 401.5, *Introductory Period* and 901.8.3 *Floating Holidays*, and revised section 605.2.2 *Cash Payment in Lieu of Health Insurance*, within the Orange County Power Authority (OCPA) Personnel Policies manual.

10. REGULAR CALENDAR

1. RATIFY RATES EFFECTIVE FEBRUARY 20, 2024

CFO Law provided a brief summary of this item.

Alt. Director Traut inquired about the factors needed for OCPA to set their own rates instead of indexing from another agency and the timeline for OCPA to be able to set their own rates.

CFO Law stated that there were two factors, first OCPA would need to build sufficient reserves the goal is 50% of total expenditures, and secondly OCPA would need to receive their investment grade credit rating. The timeframe is in Fiscal Year 26/27.

Director Kim made the motion, seconded by Alt. Director Traut to:

Ratify rates effective February 20, 2024.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Director Treseder, Director Kim, Director McKeon, Alt. Director Traut
Noes:	None
Absent:	None

2. APPROVE FISCAL YEAR 2023-24 MID-YEAR BUDGET AMENDMENT

CFO Law provided a brief presentation of this item.

Chair Jung thanked staff and the team for the presentation. OCPA staff is lean and the Agency is under budget as anticipated. He was concerned with the rising cost of renewable energy; it increased three times in this fiscal year.

Alt. Director Traut made the motion, seconded by Director Treseder to:

Approve Fiscal Year 2023-24 Mid-Year Operating Budget Amendment, as proposed in Attachment 1.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Director Treseder, Director Kim, Director McKeon, Alt. Director Traut
Noes:	None
Absent:	None

3. APPROVE ORANGE COUNTY POWER AUTHORITY'S LOAD MANAGEMENT STANDARDS PLAN AND AUTHORIZE STAFF TO SUBMIT PLAN TO THE CALIFORNIA ENERGY COMMISSION

CFO Law provided a brief presentation of this item.

Alt. Director Traut inquired whether the resource adequacy surplus and the surplus from consumption items were being factored into the budget.

Director of Finance & Data Analytics Lee said that fixed and flexed energy during the summer could be factored in the future.

Director Kim made the motion, seconded by Director Treseder to:

1. Approve Orange County Power Authority's Load Management Standards Plan; and
2. Authorize Staff to submit this plan to the California Energy Commission and future updates as required by the California Energy Commission.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Director Treseder, Director Kim, Director McKeon, Alt. Director Traut
Noes:	None
Absent:	None

4. APPOINT CHIEF EXECUTIVE OFFICER AND APPROVE EMPLOYMENT AGREEMENT; UPDATE CHECK SIGNATORIES

Interim General Counsel Nicholas Norvell provided a summary of this item.

Chair Jung, Director Kim, and Alt. Director Traut congratulated CEO Mosca.

Director Kim made the motion, seconded by Alt. Director Traut to:

1. Adopt Resolution No. 2024-01 appointing Joseph Mosca as Chief Executive Officer effective March 19, 2024, and approving execution of an Employment Agreement with Mr. Mosca in substantially the form attached hereto, with non-substantive revisions approved by the Chair and reviewed and approved as to form by the Interim General Counsel; and
2. Adopt Resolution No. 2024-02 designating authorized representatives to sign checks and other disbursements.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Director Treseder, Director Kim, Director McKeon, Alt. Director Traut
Noes:	None
Absent:	None

5. APPROVE MANAGED IT SERVICES AGREEMENT WITH SDI PRESENCE LLC

Management Analyst Viramontes provided a brief presentation of this item.

Chair Jung stated that SMS Data Center had the same cost evaluation as the recommended vendor yet a lower technical evaluation. What were SMS's technical deficiencies? He also stated his concerns with cyber security and expected them to be addressed in the back end.

Management Analyst Viramontes stated that during the interview process, SDI separated itself from the other two finalists by articulating processes and services responsive to OCPA's needs.

Director Kim made the motion, seconded by Director Treseder to:

Authorize the CEO to execute a two-year Agreement with SDI Presence LLC for Managed IT Services, effective April 1, 2024, through March 31, 2026, including the option for the CEO to extend the Agreement for three additional one-year terms, subject to satisfactory performance, with a total not-to-exceed amount of \$387,636, excluding the reimbursement of software subscriptions fees billed by third-party vendors at cost.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Director Treseder, Director Kim,
Director McKeon, Alt. Director Traut

Noes: None

Absent: None

6. MASTER PURCHASE AND SALE AGREEMENT CONFIRMATION LETTER WITH SOUTHERN CALIFORNIA EDISON

Interim CEO Mosca introduced Pacific Energy Advisors Consultant Kirby Dusel. Mr. Dusel provided a summary of the presentation on this item.

Director Treseder made the motion, seconded by Alt. Director Traut to:

1. Approve Master Purchase and Sale Agreement Confirmation with Southern California Edison for Modified Cost Allocation Mechanism (MCAM) procurement obligations; and
2. Authorize Interim Chief Executive Officer to execute the Confirmation Letter in substantially similar form with approval as to form by the General Counsel.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Director Treseder, Director Kim,
Director McKeon, Alt. Director Traut

Noes: None

Absent: None

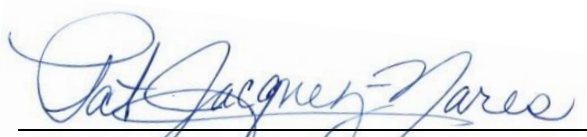
11. STAFF REPORT

CEO Mosca provided several highlights from his agenda staff report. He further reported that the recruitment of the Director of External Affairs and Communications and the Director of Power Resources will proceed and be posted on the website in April.

12. ADJOURNMENT

There being no further business to come before the Board, Chair Jung adjourned the March 19, 2024, Orange County Power Authority Board Regular meeting at 11:18 a.m.

Submitted by:


Pat Jacquez-Nares, Authority Secretary