

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
December 10, 2015 @ 8:00 a.m.

The Administration and Finance Issues Committee Chair Director Dewane called the meeting to order in Conference Room C-2 in Fountain Valley, CA. The Secretary reported a quorum of the Committee.

Committee Members

Shawn Dewane
Jan Flory
Roger Yoh (arrived 8:10 a.m.)
Dina Nguyen (not present)
Denis Bilodeau (not present)

Alternates

Steve Sheldon (not present)
Philip Anthony
Roman Reyna (arrived 8:10 a.m.)
Harry Sidhu (not present)
Cathy Green

OCWD staff

Mike Markus, General Manager
Randy Fick, District Treasurer/CFO
Joel Kuperberg, General Counsel
Judy-Rae Karlsen, Assistant District Secretary
Paula Bouyounes, Jesus Cota, Stephanie Dosier,
Randy Fick, Kevin Greene, Bonnie Howard,
John Kennedy, Crystal Nettles, Scott Nygren,
Vishav Sharma, Eleanor Torres

Others

Kelly Rowe
Peer Swan - Irvine Ranch Water District

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Green, seconded by Director Flory and carried [4-0].

[Yes- Dewane, Flory, Anthony, Green/No – 0]

1. Minutes of Previous Meeting

The Minutes of the Administration and Finance Issues Committee meeting held November 12, 2015 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at December 16 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Report dated November 30, 2015.

3. Purchase Order to WESTESCO for Auto Shop Brake Lathe Machine

Recommended by Committee for approval at December 16 Board meeting: Ratify issuance of Purchase Order to WESTESCO for \$5,562 for new brake lathe machine in the Auto Shop.

4. Agreement to Allison Mechanical, Inc., for Annual Maintenance of HVAC Equipment

Recommended by Committee for approval at December 16 Board meeting: Extend Agreement to Allison Mechanical, Inc., for an amount not to exceed \$62,304 per year for a period of two years commencing January 1, 2016 for maintaining the HVAC equipment.

5. Agreement Extension with Utilquest for Underground Service Alert (USA) Services

Recommended by Committee for approval at December 16 Board meeting: Authorize extending the agreement to Utilquest for an amount not to exceed \$74,000 per year for a two-year period to provide underground service alert monitoring services.

6. Contractor Safety Program

Recommended by Committee for approval at December 16 Board meeting: Adopt the Contractor Safety Program.

7. American Academy of Environmental Engineers and Scientist Patrons Program

Recommended by Committee for approval at December 16 Board meeting: Authorize annual participation in the American Academy of Environmental Engineers and Scientist Patrons Program for \$6,000.

MATTERS FOR CONSIDERATION

Directors Yoh and Reyna arrived at 8:10 a.m. during the following discussion.

8. Investment Portfolio Holdings Reports

District Treasurer/Chief Financial Officer Randy Fick reviewed the District's Portfolio Holdings Report dated November 30, 2015. Mr. Fick briefly reviewed market conditions and reported the one-year Treasury note as of November 30, 2015 was 0.51%; the two-year yield is 0.94%, the five-year yield is 1.65%; and the District's total rate of return on investments was 0.907%. The Committee then took the following action.

Upon motion by Director Green, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its December 16 Board meeting: Receive and file the Investment Portfolio Holdings Reports dated November 30, 2015.

[Yes- Dewane, Flory, Yoh, Anthony, Reyna/No – 0]

9. 9th Annual Orange County Water Summit

Director of Public Affairs Eleanor Torres presented an update on the Orange County Water Summit ad hoc committee meetings. She reported the Municipal Water District of Orange County (MWDOC) staff was unable to confirm the facilities at the Disneyland Hotel and discussion ensued about alternate dates, alternate venues and the impact these changes will have on sponsorships and established partnerships for this annual event. The Committee discussed the focus of future presentations, the ownership of the event and the nine year history of interagency coordination. The Committee then took the following actions.

Upon motion by Director Flory, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its December 16 Board meeting: Direct the General Manager to discuss the following issues with Municipal Water District of Orange County: A) Postpone the 2016 Orange County Water Summit; B) Consider refocusing future Orange County Water Summit objectives on educating non-water professionals such as Chambers of Commerce, private business and elected leaders; and C) Review how the Municipal Water District of Orange County Water Policy dinners and the Orange County Water Summit events are coordinated.

[Yes- Dewane, Flory, Yoh, Anthony, Reyna/No – 0]

INFORMATIONAL ITEMS

10. Preparation of Fiscal Year 2016 -17 Budget

Mr. Fick presented the Fiscal Year 2016-17 budget preparation schedule and the Committee briefly discussed the potential increase to the 2016-2017 Replenishment Assessment, and Mr. Markus noted that recent discussions with Metropolitan Water District regarding an in lieu program may also impact the budgeting process.

11. Monthly Cash Disbursements Detail Report

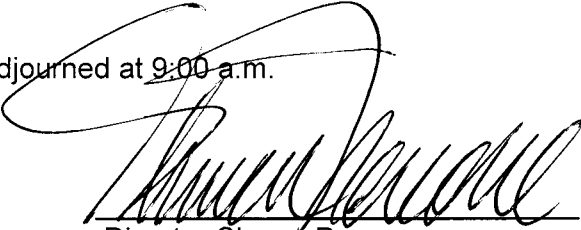
Director Dewane mentioned the detailed report on monthly cash disbursements for the period of October 29 - November 25, 2015 is in the packet.

ITEMS TO BE AGENDIZED ON THE CONSENT CALENDAR AT THE DECEMBER 16 BOARD MEETING

The Committee recommended that Items No. 2-9 be placed on the Consent Calendar at the December 16 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:00 a.m.



Director Shawn Dewane