

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
March 12, 2015 @ 8:00 a.m.

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

Committee Members

Shawn Dewane
Jan Flory
Roger Yoh
Dina Nguyen (arrived 8:05 a.m.)
Denis Bilodeau (not present)

Alternates

Steve Sheldon (not present)
Philip Anthony
Roman Reyna
Harry Sidhu (arrived 8:12 a.m.)
Cathy Green

OCWD staff

Mike Markus, General Manager
Randy Fick, CFO/Treasurer
Joel Kuperberg, General Counsel
Judy-Rae Karlsen, Assistant District Secretary
Bill Dunivin, Kevin Greene, Bonnie Howard,
Bill Hunt, John Kennedy, Chris Olsen,
Vishav Sharma, Mike Wehner

Others

Don Calkins – City of Anaheim
Andrew Hamilton – Mesa Water District

CONSENT CALENDAR

The Consent Calendar items were approved upon motion by Director Flory, seconded by Director Anthony and carried [5-0].

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

1. Minutes of Previous Meeting

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

2. Monthly Cash Control Report

Recommended by Committee for approval at March 18 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Report dated February 28, 2015.

3. Revised Easement for Underground Utilities at Anaheim Lake to City of Anaheim and Right of Entry for the City of Anaheim, AT&T and Time Warner

Recommended by Committee for approval at March 18 Board meeting: 1) Approve and authorize execution of Easement Deed with the City of Anaheim to install and maintain the underground and above ground facilities on District property at Anaheim Lake with a right to enter the easement area; and 2) Approve and authorize execution of Right of Entry to City of Anaheim, AT&T, and Time Warner to enter District property at Anaheim Lake for the purpose of constructing and installing electrical, telecommunications and community access television (CATV) from overhead facilities to new underground electrical, telecommunications, and CATV facilities.

4. Amendment to Agreement with Lhoist North America for the Supply and Delivery of Lime

Recommended by Committee for approval at March 18 Board meeting: Authorize issuance of Amendment No. 1 to Agreement No. 0967 with Lhoist North America for supply and delivery

of hydrated lime for a period of one year at the rate of \$193.35 per ton.

5. Amendment to Memorandum of Understanding with California State University, Fullerton (CSUF) Auxiliary Services Corporation for the Continued Operation of the Center for Demographic Research

Recommended by Committee for approval at March 18 Board meeting: 1) Approve and authorize execution of Amendment No. 1 to Memorandum of Understanding with California State University, Fullerton Auxiliary Services Corporation for the Continued Operation of the Center for Demographic Research renewing commitment to annual financial sponsorship for the period of July 1, 2015 - June 30, 2016; and 2) Authorize payment in the amount of \$39,739.50 to California State University Fullerton Auxiliary Services Corporation, to be invoiced on a quarterly basis.

MATTERS FOR CONSIDERATION

6. Investment Portfolio Holdings Report

District Treasurer/Chief Financial Officer Randy Fick reviewed the District's Portfolio Holdings Report dated February 28, 2015. He reported the one-year Treasury note as of February 28, 2015 is 0.22%; the two-year yield is 0.63%, the five-year yield is 1.50%; and the total rate of return on investments decreased to 0.760%. Following a brief discussion, the Committee took the following action.

It was a consensus of the Committee members present to recommend the Board at its March 18 Board meeting: Receive and file the Investment Portfolio Holdings Report dated February 28, 2015.

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

Director Nguyen arrived at 8:05 a.m. and Director Sidhu arrived at 8:12 a.m. during the discussion on the following matter.

7. Proposed FY 2015-16 Budget Replacement & Refurbishment Fund Expenditure Review

Mr. Fick provided a comprehensive overview of the proposed Fiscal Year 2015-16 Replacement and Refurbishment (R&R) Fund and reported the District anticipates \$26.4 million in expenditures for 35 items. The following staff members presented items that are included in the proposed R&R fund.

Staff	Item	R&R Fund Item	Est. Cost
Bill Dunivin	2	Microfiltration Membranes	\$ 2,511,583
Bill Dunivin	3	Replace 3,250 RO membranes in 3 RO subunits	\$ 1,374,000
Chris Olsen	25	Replace Burris Pump Station	\$ 9,000,000
Chris Olsen	26	Imperial Head Gates & Weir Pond Rehabilitation Project	\$ 4,550,818
Chris Olsen	27	Transfer Structure between Blue Diamond & Bond Basins	\$ 3,138,409

Director Anthony asked staff to present the Imperial Head Gates and Weir Pond Rehabilitation Project designs at a future Committee meeting. Following the staff presentations, the Committee took no action.

INFORMATIONAL ITEM

8. Monthly Cash Disbursements Detail Report

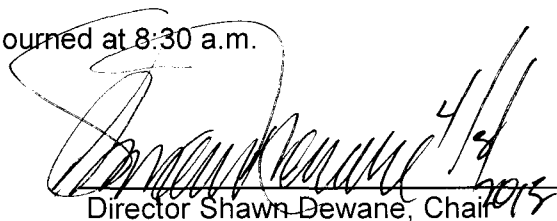
Mr. Fick stated the Monthly Cash Disbursements Detail Report for the period January 29 – February 25, 2015 was in today's packet.

ITEMS TO BE AGENDIZED ON THE CONSENT CALENDAR AT THE MARCH 18 BOARD MEETING

The Committee recommended Items No. 2-6 be placed on the Consent Calendar at the March 18 Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:30 a.m.



Director Shawn Dewane, Chair