

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
June 15, 2017 @ 8:00 a.m.

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

Committee Members

Shawn Dewane
Bruce Whitaker
Roger Yoh (Absent)
Dina Nguyen (Absent)
Cathy Green

OCWD staff

Joel Kuperberg - General Counsel
Mike Markus - General Manager
Randy Fick - CFO/Treasurer
Christina Fuller - Assistant District Secretary

Alternates

Steve Sheldon
Philip Anthony
Vicente Sarmiento (Absent)
James Vanderbilt (Absent)
Denis Bilodeau (Absent)

CONSENT CALENDAR

Director Anthony requested that Item No. 4, Agreement to Lillestrand Leadership Consulting for Staff Leadership Development, be removed from the Consent Calendar. The remainder of the Consent Calendar was then approved upon motion by Director Anthony, seconded by Director Green and carried [5-0].

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

1. Minutes of Previous Meeting

The Minutes of the Administration/Finance Issues Committee meeting held May 18, 2017 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at June 21 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Reports dated May 31, 2017.

3. Investment Portfolio Holdings Reports

Recommended by Committee for approval at June 21 Board meeting: Receive and file the Investment Portfolio Holdings Reports dated May 31, 2017.

4. Agreement to Lillestrand Leadership Consulting for Staff Leadership Development

This matter was removed from the Consent Calendar and considered separately.

5. Lease Agreement for Copier Equipment for Main Copy Room

Recommended by Committee for approval at June 21 Board meeting: Authorize issuance of a Purchase Order to Xerox for a five year lease agreement at \$1,990 per month for the copiers including maintenance and toner supplies.

ITEM REMOVED FROM THE CONSENT CALENDAR FOR CONSIDERATION

4. Agreement to Lillestrand Leadership Consulting for Staff Leadership Development

Director Anthony inquired as to the results of the use of Lillestrand Leadership Consulting. General Manager Mike Markus responded that the employees benefit from this training in a leadership and supervisory capacity and management has noted useful and beneficial results. Director Anthony asked about the frequency of the coaching sessions and how employees are selected for training.

Upon motion by Director Anthony, seconded by Director Dewane and carried [5-0], the Committee recommended that the Board at its June 21 Board meeting: Approve and authorize execution of Agreement to Lillestrand Leadership Consulting for an amount not to exceed \$39,500 for staff leadership development.

[Yes- Dewane, Whitaker, Green, Sheldon, Anthony /No -0]

MATTERS FOR CONSIDERATION

6. Renewal of 2017-18 Tax and Revenue Anticipation Notes

District Treasurer/CFO Randy Fick reminded the Committee the District issues the Tax and Revenue Anticipation Notes (TRANs) annually in support of its commercial paper program. He reported the current TRANs expires October 1, 2017 and renewal of the TRANs is necessary each year as long as the commercial paper program is in place. Mr. Fick reviewed the interest rate, cost and previous uses of commercial paper. He stated that staff recommends reauthorizing TRANs in the amount of \$70 million for the fiscal year 2017-18. He advised this is the maximum principal amount that can be issued and outstanding under the current letter of credit with Sumitomo Mitsui Banking Corporation.

Upon motion by Director Green, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its June 21 Board meeting: Reauthorize execution of the Tax and Revenue Anticipation Notes (TRANs) in the aggregate amount of \$70 million which is an amount that does not exceed 85% of the District's estimated uncollected revenues from July 1, 2017 through June 30, 2018; and 2) Adopt resolution authorizing the execution and delivery of TRANs to support the existing OCWD commercial paper program.

[Yes- Dewane, Whitaker, Green, Sheldon, Anthony /No -0]

INFORMATIONAL ITEMS

7. Monthly Cash Disbursements Report

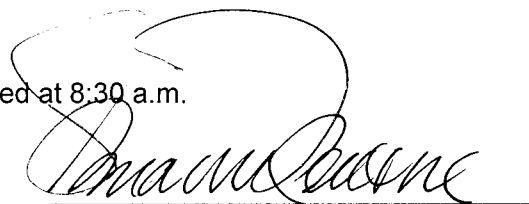
There was no verbal report on this item.

ITEMS TO BE AGENDIZED ON CONSENT CALENDAR AT THE JUNE 21 BOARD MEETING

It was agreed that Item Nos. 2-6 be agendized on the Consent Calendar at the June 21 Board meeting.

ADJOURNMENT

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


Shawn Dewane, Chair