

MINUTES OF BOARD OF DIRECTORS MEETING
ADMINISTRATION AND FINANCE ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
August 13, 2015 @ 8:00 a.m.

The Administration and Finance Issues Committee Chair 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
Dina Nguyen (not present)
Denis Bilodeau (arrived 8:05 a.m.)

Alternates

Steve Sheldon (not present)
Philip Anthony
Roman Reyna (not present)
Harry Sidhu
Cathy Green

OCWD staff

Mike Markus, General Manager
Randy Fick, CFO/Treasurer
Joel Kuperberg, General Counsel
Judy-Rae Karlsen, Assistant District Secretary
Bonnie Howard, William Hunt, John Kennedy,
Audrey Perry, Eleanor Torres, Vishav Sharma,
Greg Woodside

Others

Peer Swan – Irvine Ranch Water District

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Flory, seconded by Director Yoh and carried [5-0].

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

1. Minutes of Previous Meeting

The Minutes of the Administration and Finance Issues Committee meeting held July 9, 2015 were approved as presented.

2. Monthly Cash Control Report

Recommended by Committee for approval at August 19 Board meeting: Receive and file Summary Cash and Cash Equivalents Control Report dated July 31, 2015.

3. Revised Easement Deed to City of Anaheim for Underground Utilities at Anaheim Lake

Recommended by Committee for approval at August 19 Board meeting: Approve and authorize execution of Easement Deed to the City of Anaheim to replace the Easement Deed recorded on June 2, 2015, as document no. 2015000284848 which revises the location of the easement area.

4. Purchase Order to Interior Office Solutions for a Conference Table for Conference Room C-3

Recommended by Committee for approval at August 19 Board meeting: Authorize issuance of Purchase Order to Interior Office Solutions for an amount not to exceed \$7,183 for a 12' conference table with data and power connections.

5. Association of California Water Agencies (ACWA) Region 10 Election for 2016-17 Term

Recommended by Committee for approval at August 19 Board meeting: Cast ballot for the ACWA Region 10 Board recommended slate of candidates.

6. Support the Nomination of Katleen Tiegs as President of the Association of California Water Agencies (ACWA) for 2016-17 term
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Recommended by Committee for approval at August 19 Board meeting: Adopt resolution in support of the nomination of Kathleen Tiegs as a candidate for the position of President of ACWA for the 2016-17 term.

MATTERS FOR CONSIDERATION

Director Bilodeau arrived at 8:05 a.m. during the following discussion.

7. Investment Portfolio Holdings Report

District Treasurer/Chief Financial Officer Randy Fick reviewed the District's Portfolio Holdings Reports for July 31, 2015. He reported the one-year Treasury note as of July 31, 2015 was 0.33%; the two-year yield is 0.67%, the five-year yield is 1.54%; and the District's total rate of return on investments was 0.785%. Mr. Fick presented an update on the District's SWAP program with Citibank and discussed changes in the SWAP program due to market changes. The consensus of the Committee was to receive and file the Investment Portfolio Holdings Report dated July 31, 2015.

Upon motion by Director Dewane, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its August 19 Board meeting: Receive and file the Investment Portfolio Holdings Report dated July 31, 2015.

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

8. Board and Committee Meetings

General Manager Mike Markus advised that Directors Flory and Sheldon requested the Administration and Finance Issues Committee review the monthly Board and Committee meeting schedule. Director Flory stated that if Directors were interested in consolidating meetings, then changing the meeting schedule should be considered. A brief discussion ensued, and the Committee determined there was no significant interest in changing the meeting schedule and advised that modifying the calendar would cause a disruption in the coordination of staffing resources. Director Dewane made the motion to table the matter at this time. The Committee took the following action.

Upon motion by Director Dewane, seconded by Director Anthony and carried [5-0], the Committee recommended that the Board at its August 19 Board meeting: Table the matter.

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

9. Monthly Cash Disbursements Detail Report

Mr. Fick stated the Monthly Cash Disbursement Detail Reports for the period of June 25-June 29, 2015 are in today's packet. Director Anthony noted that Executive Director William Hunt was doing an excellent job managing legal advisors and controlling legal expenses.

CHAIR DIRECTION AS TO WHICH ITEMS IF ANY TO BE AGENDIZED ON THE CONSENT CALENDAR AT THE AUGUST 19 BOARD MEETING

The Committee recommended Items No. 2-8 be placed on the Consent Calendar at the August 19 Board meeting.

DIRECTOR COMMENTS/REPORTS

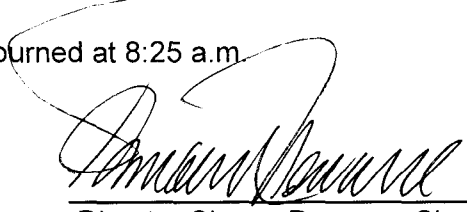
Director Green reported the Association of California Water Agencies (ACWA) Region 10 Conference on Desalination was scheduled for Friday, August 14 in Carlsbad, California.

GENERAL MANAGER COMMENTS/REPORT

Mr. Markus gave a brief report on the Groundwater Producers meeting held August 12, 2015. He advised there was significant interest in modifying the Basin Pumping Percentage (BPP), and a public hearing would be required for a proposed rate change. General Counsel Joel Kuperberg advised that staff could publish the notice of a public hearing for the September 2 Board meeting. The Committee requested that staff provide Directors with options for the proposed rate change prior to that Board meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:25 a.m.



Director Shawn Dewane, Chair