

AGENDA
ANNUAL BOARD OF DIRECTORS MEETING
OCWD PUBLIC FACILITIES CORPORATION
18700 Ward Street, Fountain Valley (714) 378-3200
Wednesday, January 6, 2021, 5:20 p.m.,

Computer Audio: Please click the link below to join the Zoom webinar:

<https://ocwd.zoom.us/j/91275764996>

Telephone Audio: (669) 900 9128

Webinar ID: 912 7576 4996

Pursuant to Paragraph 11 of Executive Order N-25-20, executed by the Governor of California on March 12, 2020 as a response to mitigating the spread of Coronavirus known as COVID-19, this regular meeting of the Orange County Water District will allow members of the Board to attend the Board meeting telephonically from remote locations without requiring public access to those locations. Public participation will be afforded telephonically through the Zoom Webinar access listed above.

ROLL CALL

VISITOR PARTICIPATION

Time has been reserved at this point in the agenda for persons wishing to comment for up to three minutes to the Board of Directors on any item that is not listed on the agenda, but within the subject matter jurisdiction of the District. By law, the Board of Directors is prohibited from taking action on such public comments. As appropriate, matters raised in these public comments will be referred to District staff or placed on the agenda of an upcoming Board meeting.

At this time, members of the public may also offer public comment for up to three minutes on any item on the Consent Calendar. While members of the public may not remove an item from the Consent Calendar for separate discussion, a Director may do so at the request of a member of the public.

MATTERS FOR CONSIDERATION

1. MINUTES OF PUBLIC FACILITIES CORPORATION BOARD MEETING HELD MAY 22, 2019

RECOMMENDATION: Approve minutes as presented

2. ELECTION OF PFC OFFICERS

RECOMMENDATION: Elect officers for 2021 as follows:

Stephen R. Sheldon	President
Cathy Green	Vice President
Tri Ta	Secretary
Jeremy Jungreis	General Counsel
Randy Fick	Chief Financial Officer

ADJOURNMENT

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Orange County Water District, 18700 Ward Street, Fountain Valley, CA not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the District Secretary. Backup material for the Agenda is available at the District offices for public review and can be viewed online at the District's website: www.ocwd.com.

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the District Secretary at (714) 378-3233, by email at jdurant@ocwd.com by fax at (714) 378-3373. Notification 24 hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda, and can be reviewed at www.ocwd.com. Copies of these materials and other disclosable public records distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item are also on file with and available for inspection at the Office of the District Secretary, 18700 Ward Street, Fountain Valley, California, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Orange County Water District office

BOARD OF DIRECTORS, OCWD PUBLIC FACILITIES CORPORATION

May 22, 2019, 5:25 p.m.

The OCWD Public Facilities Corporation Annual Board of Directors meeting was called to order at 5:25 pm on May 22, 2019 in Conference Room C-2 at the Orange County Water District.

PFC Directors/Officers

Vicente Sarmiento, President
Cathy Green, Vice President
Steve Sheldon, Secretary
Randy Fick, Chief Financial Officer
Jeremy Jungreis, General Counsel

OCWD Staff

John Kennedy, Executive Director
Christina Fuller, Assistant District Secretary

1. Minutes of Public Facilities Corporation Board Meeting

MOTION NO. PFC-111

APPROVING MINUTES OF BOARD OF DIRECTORS MEETING

Upon motion by Director Green, seconded by Director Sheldon and carried [3-0], the Minutes of the OCWD Public Facilities Corporation Board of Directors meeting held January 16, 2019 are hereby approved as presented.

Ayes: Sarmiento, Green, Sheldon

2. Appointment of Jeremy Jungreis of Rutan & Tucker, LLP as Orange County Water District Public Facilities Corporation (PFC) General Counsel

Upon motion by Director Green, seconded by Director Sheldon, the following resolution was unanimously adopted.

Ayes: Sarmiento, Green, Sheldon

RESOLUTION NO. PFC-19-5-2

APPOINTING JEREMY JUNGREIS AS PFC GENERAL COUNSEL

RESOLVED, that Jeremy Jungreis of Rutan & Tucker, LLP is hereby appointed as OCWD Public Facilities Corporation General Counsel effective May 22, 2019.

3. Documents for Tax-Exempt Short-Term Obligations Issuance and 2017B Tax-Exempt Refunding Obligations

CFO/Treasurer Randy Fick recalled that in February 2019, staff presented to the Administration/Finance Issues Committee an opportunity to issue tax-exempt short-term obligations to finance the Groundwater Replenishment System Final Expansion (GWRSFE) Project (the "Project") construction from Fiscal Year (FY) 2018-19 thru 2020-23 versus drawing on the Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) loan to fund up to \$135,000,000 of the Project. He advised that the WIFIA loan has an interest rate of 3.06%; and the tax-exempt short-term obligations would carry a lower interest rate than the WIFIA loan during the Project construction period. Mr. Fick reported that Staff estimates this financing plan will reduce interest expenses over the life of the WIFIA loan by approximately

\$12.8 million with a net present value (NPV) savings of approximately \$3.2 million based on market conditions as of May 1, 2019. He reported that preparation of the necessary documents to move forward with the refunding was approved at the February 20, 2019 Board meeting. He further reported that staff recommends refunding approximately \$7.7 million of 2017B taxable revenue refunding bonds for gross savings of approximately \$608,000 and NPV savings of approximately \$459,000 based on market conditions as of May 1, 2019.

Upon motion by Director Green, seconded by Director Sheldon, the following resolution was unanimously carried [3-0].

Ayes: Sarmiento, Green, Sheldon

RESOLUTION NO. PFC-19-5-1
RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OCWD PUBLIC FACILITIES CORPORATION
IN CONNECTION WITH THE AUTHORIZATION, PREPARATION, SALE AND DELIVERY
OF NOT TO EXCEED \$155,000,000 CERTIFICATES OF PARTICIPATION

WHEREAS, the OCWD Public Facilities Corporation is a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "Corporation") with the authority to assist the Orange County Water District (the "District") with the expansion of the District's Groundwater Replenishment System (the "Project") and to refinance all or a portion of the District's outstanding Refunding Revenue Bonds, Series 2017B (Taxable) (the "2017B Bonds"); and

WHEREAS, in order to provide funds for the acquisition of a portion of the Project, the District has previously entered into that certain WIFIA Loan Agreement dated as of July 26, 2018 by and between the District and the United States Environmental Protection Agency (the "WIFIA Loan"); and

WHEREAS, the Corporation and the District have determined to authorize the financing of the WIFIA Project on an interim basis, to refinance all or a portion of the 2017B Bonds, to approve certain agreements relating thereto and to authorize the preparation, sale and delivery of one or more series of certificates of participation (collectively, the "Certificates"); and

WHEREAS, the District currently intends to repay the portion of the Certificates used for interim financing of the WIFIA Project from proceeds of a drawing on the WIFIA Loan;

NOW, THEREFORE, the Board of Directors of the Corporation does hereby resolve as follows:

Section 1: Financing. This Board of Directors hereby affirms its authorization of the preparation, sale and delivery of the Certificates in an aggregate principal amount not to exceed \$135,000,000 with respect to the interim financing and \$20,000,000 with respect to the refinancing of the 2017B Bonds (except such amount may be increased with the approval of the Chief Financial Officer of the Corporation to provide for original issue discount to the extent such original issue discount will result in a lower interest rate or yield to maturity with respect to the Certificates).

Section 2: Financing Documents. The Installment Purchase Agreement, the Assignment Agreement, and the Trust Agreement presented at this meeting are approved. The President or Vice President, together with the Chief Financial Officer, Secretary or Assistant Secretary of the Corporation is authorized and directed to execute and deliver the Installment Purchase Agreement, the Assignment Agreement and the

Trust Agreement. The Installment Purchase Agreement, the Assignment Agreement and the Trust Agreement shall be executed in substantially the forms hereby approved, with such changes, insertions and omissions as are recommended by General Counsel or Stradling Yocca Carlson & Rauth, a Professional Corporation (“Special Counsel”) and approved by such officers, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3: Good Faith Estimates. The Board of Directors acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

Section 4: Other Actions. The President, Vice President, Chief Financial Officer, Secretary and Assistant Secretary of the Corporation, and any other officer of the Corporation are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the sale and delivery of the Certificates described in this resolution, and the delivery of the Installment Purchase Agreement, Assignment Agreement, and Trust Agreement, and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified, confirmed and approved.

Section 4: Effect. This resolution shall take effect from and after its date of adoption.

ADJOURNMENT

There being no further business to come before the PFC Board, the meeting was adjourned at 5:27 p.m.

Vicente Sarmiento, President

AGENDA ITEM SUBMITTAL

MEETING DATE: January 6, 2021

Budgeted: N/A

Budgeted Amount: N/A

Cost Estimate: N/A

TO: OCWD Public Facilities Corporation
Board of Directors

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

FROM: Mike Markus

Engineers/Feasibility Report Approved: N/A

CEQA Compliance: N/A

Staff Contact: M. Markus

SUBJECT: ELECTION OF PUBLIC FACILITIES CORPORATION (PFC) OFFICERS

SUMMARY

The Public Facilities Corporation bylaws (PFC) require that the Corporation meet annually. At this meeting the PFC elects its officers who consist of a President, Vice President and Secretary. These officers are the same officers serving on the Orange County Water District Board. The PFC also appoints a General Counsel and a Chief Financial Officer. The District's General Counsel Jeremy Jungreis and District CFO/Treasurer Randy Fick are appointed serving in these capacities.

RECOMMENDATION

Elect officers of the Public Facilities Corporation for 2021 as follows:

Stephen Sheldon

President

Cathy Green

Vice President

Tri Ta

Secretary

Jeremy Jungreis

General Counsel

Randy Fick

Chief Financial Officer

PRIOR RELEVANT BOARD ACTION(S) Annual