

HELIX WATER DISTRICT
Setting standards of excellence in public service

MINUTES
COMMITTEE OF THE BOARD
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, October 26, 2016 – 3 p.m.
7811 University Avenue, La Mesa, CA 91942-0427

1. President Verbeke called the meeting to order at 3 p.m. The roll call showed a quorum of the board present: Directors Verbeke, Muse, Scalzitti, Linden and Hedberg.

Staff present: Lugo, Umphres, Stoia, Tomasulo, Hayman, Janzen, Bryant, Olney, Schipper, Masterson, Ross, Garuba, Lawler, Pearce, Uhrhammer, Miller, Salois and Curtis. General Counsel Elizabeth W. Hull was also present.

Others present: Fieldman, Rolapp & Associates Principal James V. Fabian, CIPMA and Fieldman, Rolapp & Associates Principal Anna V. Sarabian, CIPMA. Customers Larry Nichols, Tom Brady, Luis Tejada and Dan McMillan were also present.
2. The agenda was approved unanimously.

Motion: Linden
Second: Scalzitti
3. President Verbeke provided opportunity for members of the public to address the board on any item under the subject matter jurisdiction of the district. No one requested to be heard.

DISCUSSION


4. The board of directors received a PowerPoint presentation by Fieldman, Rolapp & Associates Principal James V. Fabian, CIPMA and Fieldman, Rolapp & Associates Principal Anna V. Sarabian, CIPMA regarding potential debt financing opportunities. President Verbeke provided opportunity for the public to ask questions. Customers Larry Nichols, Luis Tejada and Dan McMillan asked questions regarding the three year requirement to spend bond funds; the costs associated with an advanced metering infrastructure project and the auditing requirements associated with bonds. President Verbeke opened board discussion stating the important balance regarding maintenance and replacing an asset at the end of its useful life. President Verbeke also thanked the consultants and staff for the presentation. Directors Muse, Scalzitti and Linden thanked the consultants and stated they now have valuable information to share with their constituents when asked questions regarding bond financing alternatives. Director Hedberg expressed appreciation for the presentation and requested a meeting with staff and potentially the consultants to better understand when market conditions are favorable to seek bond funding. Director of Administrative Services Lisa L. Stoia


further detailed slides 21 and 22 charting the best conditions to pay with cash verses borrowing funds. President Verbeke stated the cost of water is what increases water rates – not PAYGO. Director Scalzitti stated the presentation provided an important review.

5. The board of directors received a PowerPoint presentation by System Operations Manager Brian M. Olney regarding the components of the district's energy procurement. Mr. Olney provided energy purchase and delivery options; an overview of the current energy contract and proposed modifications to the energy contract. President Verbeke opened board comments. Discussion ensued. There were no public comments. The board directed staff to bring the item back to the November 2, 2016 regular board meeting to potentially authorize General Manager Carlos V. Lugo to execute superseding addendums to the existing Noble Americas Energy Solutions energy contracts modifying the price and extending the term of the contract.

President Verbeke adjourned the meeting at 5:06 p.m.

ATTEST:


Sandra L. Janzen, Board Secretary


DeAna R. Verbeke, President