



**MINUTES OF THE SPECIAL BOARD OF DIRECTORS' MEETING**  
**June 11, 2019**

1. **CALL TO ORDER** Chair Madaffer called the Special Board of Directors' meeting to order at 1:03 p.m.

2. **SALUTE TO THE FLAG** Director Cate led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**

Secretary Guerin called the roll. Directors present were Arant, Boyle\*, Cate, Cherashore\*, Evans, Fong-Sakai, Guerin, Hedberg, Heinrichs, Hilliker, Katz, Leonard, Lewinger, Madaffer, Masson, Miller\*, Mosca, Preciado, Saxod, Scalzitti, Steiner, Udrys, Watkins, and Wilson. Directors absent were Ayala, Barnum, Bebee, Butkiewicz, Croucher, Hall, Hogan, Kennedy, Morrison, Murtland, Simpson, Smith, and Supervisor Desmond.

Staff present included Acting General Manager Kerl, General Counsel Hattam, Assistant General Manager Denham, and Director of Finance/Treasurer Harris.

\* Director Boyle arrived at 1:06 p.m. and Director Cherashore arrived at 1:07 p.m.

3-A **Report on proxies received.** Director Arant was the proxy for Director Murtland.

4. **PUBLIC COMMENT**  
There were no members of the public who wished to speak.

5. **PRESENTATION**  
Update on Potential De-Annexation Issue.

Mr. Hattam provided an update on the potential de-annexation issue.

\* Director Cherashore left the meeting at 1:21 p.m. prior to the vote.

\* Director Miller arrived at 1:25 p.m.

Staff responded to questions and comments posed by the Board.

6. **ACTION / DISCUSSION / INFORMATION**  
**Liquidity Facilities Supporting the Water Authority Tax Exempt Commercial Paper Program.**  
**Staff recommendations:**

- a) Adopt Resolution 2019-10 authorizing the issuance and sale of short-term revenue certificates, approving Bank of the West as the liquidity provider for the Series 10 Commercial Paper Notes and authorizing and approving certain actions in connection therewith; and
- b) Adopt Resolution 2019-11 authorizing the extension of the term of a liquidity agreement with Bank of America, N.A., as the liquidity provider for the Series 9 Commercial Paper Notes program and authorizing and approving certain actions in connection therewith.

Ms. Harris introduced the item and provided a presentation that included the short-term debt portfolio, commercial paper letter of credit request for proposal, liquidity facility evaluation criteria and goals, the recommended short-term debt strategy, and credit highlights.

Staff responded to questions and comments posed by the Board.

Dan McMillan of Helix Water District addressed the Board regarding potential de-annexation and requested information or discussion be provided relating to roll off costs. He also congratulated the Otay Water District President becoming the Governor of Baja California.

Chair Madaffer asked questions for the record and Ms. Harris provided answers as follows.

Chair Madaffer: Have you in fact read the preliminary offer statement and the official statement in their entirety? Ms. Harris: Yes.

Chair Madaffer: Is there any information in the POS or OSE field that is perhaps inaccurate or otherwise misleading? Ms. Harris: No.

Chair Madaffer: Has anybody expressed to you any concerns or information in the POS or OS that might be inaccurate or misleading or is there some information that could be in there that might have been excluded? Ms. Harris: No.

Chair Madaffer: Is there anything that this board should know about the POS or OS in representation contained in it before we vote? Ms. Harris: No.

Director Cate moved, Director Lewinger seconded, and the motion carried at 76.11% of the vote to adopt Resolution Nos. 2019-010 and 2019-11. Directors Scalzitti and Wilson abstained.

7. **CLOSED SESSION**

There were no Closed Sessions.

8. **ACTION FOLLOWING CLOSED SESSION**

9. **OTHER COMMUNICATIONS**

10. **ADJOURNMENT**

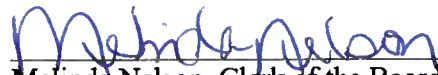
There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 1:33 p.m.



Jim Madaffer, Chair



Christy Guerin, Secretary



Melinda Nelson, Clerk of the Board