



**SUMMARIZED MINUTES OF THE  
PUBLIC FINANCING ADVISORY COMMITTEE  
Thursday, MARCH 12, 2015 at 1:30 P.M.  
Hall of Administration  
Planning Commission Room**

**Committee Members Present:** Chair, Lisa Hughes; Committee Member Thomas Hammond; Committee Member, John J. Moohr; Committee Member Wallace Rodecker; Shari Freidenrich, Treasurer-Tax Collector; Eric Woolery, Auditor-Controller; Frank Kim, Chief Financial Officer

**County Representatives Present:** Angie Daftary, County Counsel; CEO/Public Finance: Suzanne Luster, Public Finance Manager; Louis McClure, Richard Mendoza

**Committee Members Absent:** Committee Member, Carl Groner

- 1. Call to Order:** The meeting was called to order at 1:30 P.M by PFAC Chair Lisa Hughes.
- 2. Approval of the Minutes of October 16, 2014 Meeting:** PFAC Chair Lisa Hughes asked for a motion to approve the minutes of the October 16, 2014 PFAC meeting.
- 3. Approval of the Minutes of the December 11, 2014 Meeting:** Chair Hughes asked for a motion to approve the minutes of the December 11, 2014 PFAC meeting.

Member Rodecker moved that the minutes of the October 16, 2014 PFAC meeting be approved. Member Moohr seconded; the motion to approve the October 16, 2014 PFAC minutes was unanimously approved.

Member Hammond approved that the minutes of the December 11, 2014 PFAC meeting be approved. Member Friedenrich seconded. Member Friedenrich commented that the minutes reflected a PFAC staff directive to draft a resolution for Board of Supervisor consideration related to OCERS returning to the previous pension contribution discount equal to the assumed rate of return, currently 7.25%. Member Friedenrich asked if the resolution had been submitted to the board for consideration. Ms. Luster responded that the resolution was not yet submitted to the board. The comment was made that the item should be retained in the minutes as a record until the directive is complete.

The December 11, 2014 PFAC minutes were approved unanimously, with Member Rodecker abstaining because he was absent from the meeting.

- 4. Election of Public Financing Advisory Committee Chair and Vice Chair:** Chair Hughes asked for nominations for 2015 PFAC Chair. Member Moohr nominated Lisa Hughes to continue as committee Chair for 2015. Member Rodecker seconded. No other nominations were provided. The motion to elect Lisa Hughes 2015 PFAC Chair was passed unanimously.

Chari Hughes asked for nominations for 2015 PFAC Vice-Chair. Member Friedenrich nominated Wallace Rodecker. The nomination was seconded by Member Moohr. No other nominations were provided. The motion to elect Wallace Rodecker 2015 PFAC Vice-Chair passed unanimously.

- 5. Receive and File Public Finance Status Report:** Chair Hughes called on Ms. Luster to provide the report. Ms. Luster recalled that at the previous meeting, staff was directed to provide a report of Board of Supervisor results and/or financing results that occur subsequent to a PFAC action or recommendation. At this meeting a report was provided on the December 16, 2014 Board of Supervisor approval of the 2015 Pension Obligation Bond financing, the pricing results and the savings to the County.

Chair Hughes requested that additional follow-up be provided in the future that would compare estimated pricing, savings or other information provided in the PFAC staff report to actual results that occur. A committee discussion followed and members agreed the additional reporting should be added. Ms. Luster agreed to add the comparison of PFAC reporting estimates and actual results in future reports.

Chair Hughes asked for a motion to receive and file the status report. Member Moohr moved the item. Member Freidenrich seconded. The item passed unanimously.

- 6. Approval in concept of proposed Central Utility Facility (CUF) Upgrade Financing:** Prior to the staff presentation, Member Woolery identified for the record that he had a conflict related to the underwriter to be recommended for the financing, as his wife is employed by Wells Fargo Bank. For that reason, it was identified and confirmed by counsel that Member Woolery would not participate in the discussion or vote on the item.

Ms. Luster introduced Tim Corbett, Orange County Public Works project manager who gave a slide presentation describing the Central Utilities Facility (CUF) upgrade and the necessity and benefit to the County of proceeding with the upgrade. Mr. Corbett offered to coordinate and provide committee members a tour of the cogen facility. Member Freidenrich and other members requested information regarding the current 2006 Cogen bonds outstanding, including amount outstanding, the interest rate and whether the bonds were callable. The response provided was that \$14million is outstanding, 5% interest coupon, and non-callable.

Ms. Luster introduced Richard Mendoza to provide the CEO/staff presentation. Mr. Mendoza provided a summary of the RFP process and the evaluation of the finance team proposals. Staff recommended Fieldman Rolapp & Associates as Financial Advisor, Wells Fargo Securities as Underwriter, and Stradling Yocca Carlson and Rauth as Bond and Disclosure Counsel.

Committee member Hammond made a motion to approve the financing in concept and the selection of the financing team as recommended by County staff. Member

Moohr seconded the motion. The motion was approved unanimously, with Member Woolery abstaining.

**Public Comment:** None received

**Adjournment:** The meeting was adjourned at 2:35PM.