



NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MARIN MUNICIPAL WATER DISTRICT FINANCING AUTHORITY WILL BE HELD AS FOLLOWS:

- MEETING DATE:** WEDNESDAY, January 2, 2019
- TIME:** Approximately 8:20 p.m. or immediately following the MMWD Financing Corporation meeting.
- LOCATION:** 1) MMWD Board Room, 220 Nellen Ave., Corte Madera, CA 94925
2) UC Merced, Science & Engineering 1, #236
5200 North Lake Road, Merced, CA (Director Quintero)

AGENDA

ITEM	RECOMMENDATION	APPROX. START
<input type="checkbox"/> CALL TO ORDER		8:20 p.m.
<input type="checkbox"/> ADOPT AGENDA		
<input type="checkbox"/> PUBLIC EXPRESSION*		
<input type="checkbox"/> REGULAR CALENDAR		
1. Minutes of January 2, 2018 meeting	<i>Approve</i>	8:25 p.m.
2. Confirmation of Officers	<i>Information</i>	
3. Financial Update	<i>Information</i>	

ADA NOTICE AND HEARING IMPAIRED PROVISIONS: The board room is equipped with sound amplifying units for use by the hearing impaired. The units operate in conjunction with the room's sound system. You may request the personal sound amplifier from the Board Secretary for use during meetings.

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the Marin Municipal Water District to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, an agenda, and/or agenda packet in an appropriate alternative format, or if you require other accommodation, please contact Stephanie Eichner-Gross at (415) 945-1448, at least two days in advance of the meeting. Advance notification within this guideline will enable the district to make reasonable arrangements to ensure accessibility.

INFORMATION PACKETS ARE AVAILABLE FOR REVIEW AT THE CIVIC CENTER LIBRARY, CORTE MADERA LIBRARY, FAIRFAX LIBRARY, MILL VALLEY LIBRARY, MMWD OFFICE, AND MMWD WEBSITE (MARINWATER.ORG)

OFFICERS: Larry Bragman; Jack Gibson; Cynthia Koehler; Armando Quintero, Larry Russell

**Anyone wishing to speak on an item other than those listed on this agenda will be recognized at this time. We ask any person wishing to be heard to come to the podium to address the board and state your name and address for the public record. A 3-minute limit is customary; however the committee chair may adjust the actual time allotted to accommodate the number of speakers.*



**MARIN MUNICIPAL
WATER DISTRICT**

ITEM No. 1

MEETING DATE: January 2, 2019

FINANCING AUTHORITY

MEETING: Board of Directors

STAFF REPORT

SUBJECT: Minutes of Board Meeting

SUBMITTED BY: Charles Duggan Jr., Treasurer

RECOMMENDED ACTION: Approve the Minutes of January 2, 2018

EXECUTIVE SUMMARY: Minutes of the January 2, 2018 meeting are attached for approval.

REVIEWED BY: Treasurer NA
General Counsel NA
Executive Director NA

ATTACHMENTS:

1. Minutes

**THE BOARD OF DIRECTORS
OF MARIN MUNICIPAL WATER DISTRICT
MEETING AS THE MMWD FINANCING AUTHORITY**

Minutes of the meeting of the Board of Directors of the MMWD Financing Authority held on January 2, 2018.

Directors present: Larry Bragman, John C. Gibson, Cynthia Koehler, Armando Quintero (by teleconference) and Larry L. Russell

Directors absent: None

CALL TO ORDER

President Russell called the meeting of the MMWD Financing Authority to order at 7:48p.m.

ADOPT AGENDA

On motion of Director Bragman, seconded by Director Gibson, the agenda was adopted as presented.

PUBLIC EXPRESSION

None.

ITEM 1 MINUTES

On motion of Director Koehler, seconded by Director Bragman, the Board approved the minutes of June 20, 2017 as presented by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Quintero and Russell
Noes: None
Absent: None
Abstain: None

ITEM 2 CONFIRMATION OF OFFICERS

Charlie Duggan, Treasurer, presented the staff report indicating that, in accordance with the bylaws of the Finance Authority, the acting President of the Board of Directors of the District shall be the President of the Authority; the acting Vice President of the Board of Directors of the District shall be the Vice President of the Corporation; the acting General Manager of the District shall be the Executive Director of the Authority; the acting Administrative Services Division Manager of the District shall be the Treasurer of the Authority and the acting Secretary of the District shall be the Secretary of the Authority.

ITEM 2 FINANCIAL UPDATE

Charlie Duggan, Treasurer, presented the staff report. He said Water Revenue Bonds in the amount of \$36.2 million issued in 2017 generated proceeds \$41.2 million. He said the proceeds will be used to finance Marin Municipal Water District’s Capital Improvement projects over the next two years. He also provided an update on the semi-annual debt service payments made in January and July of each year. A brief question and answer period followed.

ADJOURNMENT

There being no further business, the meeting of January 2, 2018 was adjourned at 7:50 p.m.

Secretary



STAFF REPORT

SUBJECT: Marin Municipal Water District Financing Authority Officers

SUBMITTED BY: Charles Duggan Jr., ASD Manager/Treasurer

RECOMMENDED ACTION: Information only.

EXECUTIVE SUMMARY: Summary of the authority's officers.

BACKGROUND: There is no requirement to hold an annual election of officers of the Marin Municipal Water District Financing Authority (Authority). This item is solely to recognize and inform the public and the Board of Directors regarding officers of the Authority in accordance with the Authority's Bylaws.

Section 2.1-2.7 – Officers, and Confirmation of Officers, of the Bylaws of MMWD Financing Authority (“Authority”) dated April 21, 2010, state:

Section 2.1 – The officers of the Authority shall be the President, Vice President, Executive Director, Secretary and Treasurer.

Section 2.2 – President - The President of the Authority shall be the member who is the President of the Board of Directors of MMWD. The term of office shall be the same as the term of the President of the Board of Directors of MMWD.

Section 2.3 – Vice President - The Vice President of the Authority shall be the member who is the Vice President of the Board of Directors of MMWD. The term of office shall be the same as the term of the Vice President of the Board of Directors of MMWD.

Section 2.4 – Executive Director - The General Manager of MMWD is hereby designated as the Executive Director of the Authority.

Section 2.5 – Secretary – The Secretary shall be the person who is the Secretary to the Board of Directors of MMWD.

Section 2.6 – Treasurer – The Administrative Services Division Manager of MMWD is hereby designated as the Treasurer of the Authority.

Section 2.7 – Confirmation of Officers – Confirmation of officers shall be the first order of business at the first meeting of the Authority, regular or special, held in each calendar year.

REVIEWED BY: ASD Manager/Treasurer NA
 General Counsel NA
 General Manager NA

ATTACHMENTS:

1. None.



STAFF REPORT

SUBJECT: Marin Municipal Water District Financing Authority Financial Update

SUBMITTED BY: Charles Duggan Jr., Administrative Services Div. Manager/Treasurer

RECOMMENDED ACTION: Information only

EXECUTIVE SUMMARY:

Financial update for the calendar year 2018.

BACKGROUND:

On May 15, 2012 the Authority issued the Water Revenue Bonds (2012 Series A) in the amount of \$85,000,000. The proceeds of the Revenue Bonds (2012 Bonds) were then used by MMWD under the terms of the Installment Sale Agreement between the two entities dated May 3, 2012. The proceeds of the issue were used to refund \$16.5 million of the outstanding Marin Municipal Water District Water Revenue Refunding Bonds, Series 2002 bonds, advance refund a portion of the outstanding Certificates of Participation, 2004 Financing Project of \$21.6 million, finance \$54.6 million in MMWD capital projects and pay certain costs incurred in connection with issuance, sale and delivery of the bonds.

On November 15, 2016 the Authority issued the Refunding Revenue Bonds (2016 Series) in the amount of \$31,380,000. The proceeds of the Refunding Revenue Bonds (2016 Bonds) were then used by MMWD under the terms of the Installment Sale Agreement between the two entities dated November 1, 2016. The proceeds of the issue were used to refund, on an advance basis, the Marin Municipal Water District Financing Authority Water Revenue Bonds, Series 2010, which were outstanding in the principal amount of \$31.14 million.

On August 1, 2017 the Authority issued the Water Revenue Bonds (2017 Series) in the amount of \$36,120,000. The proceeds of the Revenue Bonds (2017 Bonds) were then used by MMWD under the terms of the Installment Sale Agreement between the two entities dated as of August 1, 2017. The proceeds of the issue are used to finance \$41.20 million in MMWD capital projects and pay certain costs incurred in connection with issuance, sale and delivery of the bonds. The obligation of the District to make installment payments is subordinate to payments the District makes in connection with bonds issued by the Authority to finance and refinance projects of the District issued in 2012 and 2016. This issue is subordinate to the prior issues to provide flexibility to the District for future borrowings. The District covenanted in the 2017

Installment Sale Agreement that it will not issue any obligations senior to the 2017 Bonds. U.S. Bank is the trustee.

Debt Service Payments

Semi-annual debt service payments are made on January 1 and July 1 of every year. Interest payments are made every January 1 and July 1, and principal payments are made once a year on July 1.

Below are a summary of the debt service payments funded in calendar year 2018 for the 2012, 2016, and 2017 debt issues.

2012 Bonds Debt Service Payments in CY 2018			
Due Date	Interest	Principal	Total
July 1, 2018	\$1,849,638.75	\$1,910,000.00	\$3,759,638.75
January 1, 2019	\$1,811,438.75	\$0.00	\$1,811,438.75
Total			\$5,571,077.50

2016 Bonds Debt Service Payments in CY 2018			
Due Date	Interest	Principal	Total
July 1, 2018	\$740,987.50	\$0.00	\$740,987.50
January 1, 2019	\$740,987.50	\$0.00	\$740,987.50
Total			\$1,481,975.00

Annual principal payments on the 2016 Bonds do not begin until July 1, 2030.

2017 Bonds Debt Service Payments in CY 2018			
Due Date	Interest	Principal	Total
July 1, 2018	\$850,250.00	\$735,000.00	\$1,585,250.00
January 1, 2019	\$842,900.00	\$0.00	\$842,900.00
Total			\$2,428,150.00

Capital Project Fund

In the table below is a summary of the Capital Project Funds for the 2012 and 2017 debt issues. The Capital Project Fund for the 2012 Bonds was fully spent as of December 31, 2017. The activity for calendar year 2018 included withdrawals of monies to fund MMWD capital projects. Interest income is netted against withdrawals.

As of December 31, 2018, the 2017 Bond Capital Project Fund balance is \$18,580,000 million.

**Capital Project Funds
(in millions)**

	<u>2017 Bonds</u>
Balance as of 12/31/17	\$ 37.00
Interest Earned	0.50
Withdrawals	<u>(18.92)</u>
Balance as of 12/31/18	<u>\$ 18.58</u>

Future Scheduled Events

Below are the scheduled debt service payments to be funded through December 31, 2019 for 2012, 2016 and 2017 debt issues. Revenue for subsequent debt service payments will be generated from payments received from MMWD in accordance with each of the applicable Installment Sale Agreements.

2012 Bonds Debt Service Payments			
Due Date	Interest	Principal	Total
July 1, 2019	\$1,811,438.75	\$1,990,000.00	\$3,801,438.75
January 1, 2020	\$1,781,538.75	\$0.00	\$1,781,538.75
Total			\$5,582,977.50

2016 Bonds Debt Service Payments			
Due Date	Interest	Principal	Total
July 1, 2019	\$740,987.50	\$0.00	\$740,987.50
January 1, 2020	\$740,987.50	\$0.00	\$740,987.50
Total			\$1,481,975.00

2017 Bonds Debt Service Payments			
Due Date	Interest	Principal	Total
July 1, 2019	\$842,900.00	\$610,000.00	\$1,452,900.00
January 1, 2020	\$833,750.00	\$0.00	\$833,750.00
Total			\$2,286,650.00

REVIEWED BY: ASD Manager/Treasurer NA
 General Counsel NA
 General Manager NA

ATTACHMENTS:

1. None.