

MEMBER CITIES

Alhambra
Apple Valley
Azusa
Baldwin Park
Barstow
Bell
Bellflower
Brea
Calaveras County Water District
Capitola
Carpinteria
Carson
Chino
Claremont
Colton
Commerce
Compton
Covina
Downey
Duarte
El Monte
Fairfield
Fontana
Fresno
Gardena
Garden Grove
Glendale
Glendora
Hawaiian Gardens
Hawthorne
Huntington Park
Indio
Inglewood
La Habra
La Puente
Lakewood
Lancaster
Lawndale
Long Beach
Los Angeles
Lynwood
Monrovia
Montclair
Montebello
Monterey Park
Morgan Hill
Norwalk
Oceanside
Palmdale
Palm Springs
Paramount
Pico Rivera
Planada Community Services District
Pomona
Rancho Cucamonga
Rialto
Riverside
Rohnert Park
Salinas
San Bernardino
San Bernardino County
San Diego County
San Fernando
San Juan Capistrano
San Marcos
San Mateo County
Santa Clarita
Santa Rosa
Signal Hill
South Gate
Vernon
Visalia
Vista
West Covina
Whittier
Yucaipa

BOARD MEMBERS

OFFICERS

Gil Hurtado, President

South Gate

Jose Solache, Treasurer

Lynwood

DIRECTORS

Ricardo Pacheco, Baldwin Park

Emma Sharif, Compton

Marilyn Sanabria, Huntington Park

Edwin Hernandez, Lynwood

Sylvia Ballin, San Fernando

Vacant, Vernon

Secretary/Executive Director

Debbie Smith

General Legal Counsel

Scott Campbell

Best Best & Krieger, LLP

REVISED

REVISED



INDEPENDENT CITIES FINANCE AUTHORITY
Regular Meeting Of The Board Of Directors
Regular Meeting Of The Executive Committee

Tuesday, May 3, 2016
12:00 p.m.

The Azalea Room
Azalea Regional Shopping Center
(between Skechers and Game Stop)
4761 Firestone Boulevard
South Gate, CA 90280

TELECONFERENCE MEETING LOCATIONS:

Call In Information:

Call In Number: 1-712-775-7031

Participant Number: 236-977-467#

- | | |
|--|--|
| <p>1. Baldwin Park City Hall
Council Chambers (outside)
14403 East Pacific Avenue
Baldwin Park, CA 91706</p> | <p>2. Compton City Hall
City Council Office
205 South Willowbrook Avenue
Compton, CA 90220</p> |
|--|--|

MEETING AGENDA

STAFF REPORTS AND OTHER WRITTEN DOCUMENTS RELATED TO ITEMS ON THIS AGENDA CAN BE OBTAINED FROM THE INDEPENDENT CITIES FINANCE AUTHORITY BY CALLING (877) 906-0941.

FOR YOUR INFORMATION: The Authority Board/Executive Committee will hear from the public on any item on the agenda or an item of interest to the Board/Executive Committee that is not on the Agenda. These items may be referred for administrative action or scheduled on a future Agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Authority Board. Each speaker will have an opportunity to speak on any Agenda item. You have the opportunity to address the Authority Board at the following times

- A. AGENDA ITEM: at the time the Authority Board considers the Agenda item or during Public Comment, and
- B. NON-AGENDA ITEMS: during Public Comment - comments will be received for a maximum 30-minute period; any additional requests will be heard following the completion of the Agenda.
- C. PUBLIC HEARINGS: at the time of the Public Hearing

I. CALL TO ORDER. *(Page 4)*

II. ROLL CALL. *(Page 4)*

City of Baldwin Park
City of Compton
City of Huntington Park
City of Lynwood

City of San Fernando
City of South Gate
City of Vernon

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA. *(Page 4)*

IV. PUBLIC COMMENT. At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Authority. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC § 54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting. *(Page 5)*

V. NEW BUSINESS.

- A. Approval/Adoption Of Resolution No. 2016-2 (A Resolution Of The Board Of Directors Of The Independent Cities Finance Authority Naming And Appointing Certain Officers And Staff). *(Pages 5-6 & 7-10)* **RECOMMEND APPROVAL/ADOPTION**
- B. PRESENTATIONS: Recognition Of The Services Of W. Michael McCormick. *(Page 11)*
RECOMMEND RECOGNITION OF MR. McCORMICK
- C. Appointment/Election Of Executive Committee Members For A Two Year Term. *(Pages 11-12)*
RECOMMEND APPOINTMENT/ELECTION

- D. Approval Of Minutes Of The February 17, 2016 And April 4, 2016 Board Of Directors Meetings. *(Pages 12 & 13-22)* *RECOMMEND APPROVAL*
- E. Status Report/Update On The ICFA Market Rate Lease Purchase Homeownership Initiative Program And Consideration Of Advancing Funds For The MPPI Policy. *(Page 23)*
RECOMMEND PROVIDING DIRECTION RELATIVE TO ADVANCING FUNDS
- F. Approval Of Financial Accounting For The Period February 1, 2016 to March 31 2016. *(Pages 23-24)*
RECOMMEND APPROVAL

VI. COMMENTS FROM BOARD MEMBERS. *(Pages 24-25)*

VII. MATTERS FROM STAFF. *(Page 25)*

VIII. ADJOURNMENT. *(Page 25)*

The public shall have an opportunity to comment on any item as each item is considered by the Board/Executive Committee and prior to action being taken. Agenda Reports are available at the Independent Cities Finance Authority office upon request by calling (877) 906-0941.

NOTICE: New items will not be considered after 2:00 p.m. unless the Board of Directors/ Executive Committee votes to extend the time limit. Any items on the agenda that are not completed will be forward to the next regular Board of Directors/Executive Committee meeting.

IN COMPLIANCE WITH THE AMERICAN DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE INDEPENDENT CITIES FINANCE AUTHORITY AT (877) 906-0941. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE INDEPENDENT CITIES FINANCE AUTHORITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

NOTE TO CITY CLERKS:

Please post this Meeting Notice in three separate locations, just as you would a City Council agenda.

INDEPENDENT CITIES FINANCE AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
REGULAR MEETING OF THE EXECUTIVE COMMITTEE

May 3, 2016 - 12:00 p.m.

AGENDA SUMMARY

I. CALL TO ORDER.

II. ROLL CALL.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

A roll call of the following member cities will be conducted:

City of Baldwin Park	City of San Fernando
City of Compton	City of South Gate
City of Huntington Park	City of Vernon
City of Lynwood	

C. RECOMMENDATION:

None.

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

AGENDA SUMMARY

May 3, 2016

Page 2

IV. PUBLIC COMMENT.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Agency. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC §54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting.

C. RECOMMENDATION:

None.

V. NEW BUSINESS.

A. APPROVAL/ADOPTION OF RESOLUTION NO. 2016-2 (A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDEPENDENT CIITES FINANCE AUTHORITY NAMING AND APPOINTING CERTAIN OFFICERS).

A. MATERIAL ENCLOSED: (PAGES 7-10)

Resolution 2016-2.

B. COMMENTS:

Former ICFA President Mike McCormick, was unsuccessful in his bid for re-election to the Vernon City Council and, as such, is no longer able to serve as President of ICFA. Article 9 of the Joint Powers Agreement and Article V of the Bylaws provide that in the absence or inability of the President to act, the Vice President (Gil Hurtado) shall act as President. The Joint Powers Agreement also provides that if the President or Vice President ceases to be a member of the Board, the resulting vacancy shall be filled at the next meeting of the Board

AGENDA SUMMARY

May 3, 2016

Page 3

or at a special meeting. In that regard, an election for President and Vice President will be conducted at this meeting. It should be noted that the Officers will serve for two years and must be selected from the Directors. Alternate Directors may not serve as President or Vice President.

In addition, Jose Solache is currently serving as Treasurer and would like to be continue in that position. The Treasurer may be a Director or Alternate Director.

C. RECOMMENDATION:

1. Conduct an election for President and Vice President of the Authority for a two year term;
2. Re-appoint Jose Solache to serve as Treasurer of the Authority; and
3. Approve/adopt Resolution 2016-2 and authorize the ICFA President and staff to execute same.

RESOLUTION NO. 2016-2

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INDEPENDENT CITIES FINANCE AUTHORITY NAMING AND
APPOINTING CERTAIN OFFICERS AND STAFF.**

WHEREAS, the Independent Cities Finance Authority (the "Authority") has been duly organized and created pursuant to Articles 1 and 2, Chapter 5, Division 7, Title I of the California Government Code (Section 6500 et seq.) by the member cities set forth on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, that certain Joint Powers Agreement (the "Joint Powers Agreement") creating the Authority approved and executed by the member cities set forth on Exhibit A hereto authorizes the Board of Directors of the Authority to elect Officers; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE INDEPENDENT CITIES FINANCE AUTHORITY AS FOLLOWS:

Section 1. Election of Officers. Pursuant to Article 9 of the Joint Powers Agreement, the members of this Board of Directors by the adoption of this Resolution hereby duly elect _____ of the City of _____ to serve as President of the Authority and _____ of the City of _____ to serve as Vice President of the Authority. The President and Vice President shall have all such powers as are set forth in the Joint Powers Agreement.

Section 2. Appointment of Staff. Pursuant to Article 12 of the Joint Powers Agreement, this Board of Directors hereby appoints Jose Solache of the City of Lynwood as the Treasurer of the Authority with the duties and powers set forth in the Joint Powers Agreement. Pursuant to Article 12 of the Joint Powers Agreement this Board of Directors hereby further appoints Deborah J. Smith as Executive Director pursuant to the terms of the proposal letter of said firm. The Executive Director shall have the powers and duties set forth in the Joint Powers Agreement. This Board of Directors further authorizes Deborah J. Smith to execute documents on behalf of the Authority as Executive Director. The Executive Director shall further act as the Secretary of the Authority.

Section 3. Authorization of Signors. The following are hereby authorized to endorse checks and orders for the payment of money or otherwise deposit, withdraw or transfer funds on deposit with Bank of America and the California State Treasurer Local Agency Investment Fund. The signatures of two of the following authorized signers shall be required:

_____ - President
Jose Solache - Treasurer
Deborah J. Smith – Executive Director

Section 3. Effective Date. This Resolution shall take effect on May 3, 2016.

PASSED, APPROVED AND ADOPTED THIS 3rd day of May, 2016.

President of the Independent Cities
Finance Authority

ATTEST:

By: _____
Executive Director of the Independent
Cities Finance Authority

I, Deborah J. Smith, Executive Director of the Independent Cities Finance Authority, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of said Authority at the annual meeting of the Board of Directors of said Authority held on the 3rd day of May, 2016 and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Executive Director of the Independent
Cities Finance Authority

EXHIBIT A

<u>MEMBER CITY</u>	<u>MEMBER ON BOARD OF DIRECTORS</u>	<u>ALTERNATE ON BOARD OF DIRECTORS</u>
1. Baldwin Park	Ricardo Pacheco	---
2. Compton	Emma Sharif	---
3. Huntington Park	Marilyn Sanabria	Jhonny Pineda
4. Lynwood	Edwin Hernandez	Jose Solache
5. San Fernando	Sylvia Ballin	Norm Kimball
6. South Gate	Gil Hurtado	---
7. Vernon	---	Yvette Woodruff Perez

B. PRESENTATIONS: RECOGNITION OF THE SERVICES OF W. MICHAEL McCORMICK.

A. MATERIAL ENCLOSED:
None.

B. COMMENTS:

W. Michael McCormick will be recognized for his years of service on the ICFA Board of Directors.

C. RECOMMENDATION:

Recognize and thank Mr. McCormick for his dedicated service to ICFA.

C. APPOINTMENT/ELECTION OF EXECUTIVE COMMITTEE MEMBERS FOR A TWO YEAR TERM.

A. MATERIAL ENCLOSED:
None.

B. COMMENTS:

Article IV of the ICFA Bylaws require that vacancies on the Executive Committee should be filled by an election. The following members currently serve on the Executive Committee:

<u>Position</u>	<u>Member</u>	<u>Alternate Member</u>	<u>City</u>
President	VACANT	Yvette Woodruff Perez	Vernon
Vice President	Gil Hurtado	---	South Gate
Member	Ricardo Pacheco	---	Baldwin Park
Member	Edwin Hernandez	Jose Solache	Lynwood
Member	Sylvia Ballin	Nick Kimball	San Fernando

Alternate Board Members may vote in place of Directors who serve on the Executive Committee. The Executive Committee is empowered by the Joint Powers Agreement (Article 10) and the Bylaws (Article IV) to conduct virtually all activities of the Board of Directors. The individual appointed or his/her alternate must be available to attend all Executive Committee meetings.

The President and Vice President are automatic members of the Executive Committee.

AGENDA SUMMARY
May 3, 2016
Page 5

C. RECOMMENDATION:

Appoint/elect Directors/Alternate Directors to the Executive Committee.

C. APPROVAL OF MINUTES OF THE FEBRUARY 17, 2016 AND APRIL 4, 2016 BOARD OF DIRECTORS MEETINGS.

A. MATERIAL ENCLOSED: **(PAGES 13-22)**

1. Minutes of the February 17, 2016 Board of Directors meeting. (Pages 13-16)
2. Minutes of the April 4, 2016 Board of Directors meeting. (Pages 17-22)

B. COMMENTS:

None.

C. RECOMMENDATION:

Approve the minutes of the February 17, 2016 and April 4, 2016 Board of Directors meetings.

INDEPENDENT CITIES FINANCE AUTHORITY

**BOARD OF DIRECTORS REGULAR MEETING
FEBRUARY 17, 2016**

MINUTES

I. CALL TO ORDER.

The regular meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order in the City of South Gate on February 17, 2016 at 12:05 p.m. by President Mike McCormick.

II. ROLL CALL.

Members Of The Executive Committee/Board of Directors Present (Voting)

W. Michael McCormick, President	Vernon
Gil Hurtado, Vice President	South Gate
Sylvia Ballin	San Fernando
Edwin Hernandez	Lynwood
Ricardo Pacheco	Baldwin Park
Jhonny Pineda	Huntington Park

Alternate Members Of The Board of Directors Present

Jose Solache

The City of Compton was not represented by a voting member.

Guests Present

Craig Anderson	Live Traffic Data
Guy Burgoon	EMG Markets Group
Pam Newcomb	Newcomb Williams Financial Group
Ryder Smith	Tripepi Smith & Associates
Greg Spiker	Ken Spiker And Associates, Inc.
Janees Williams	Newcomb Williams Financial Group
Wes Wolf	Wolf & Company, Inc.

Staff Present

Glen Price	Best Best & Krieger LLP
Debbie Smith	Smith, Alvarez & Castillo/ICFA

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

There were no amendments or adjustments to the agenda.

IV. PUBLIC COMMENTS.

There were no members of the public who wished to speak.

V. NEW BUSINESS.

A. APPROVAL OF MINUTES OF THE NOVEMBER 18, 2015 BOARD OF DIRECTORS MEETING.

It was moved by Sylvia Ballin, seconded by Gil Hurtado, and unanimously carried by the following roll call vote to approve the minutes of the November 18, 2015 Board of Directors meeting:

AYES: Sylvia Ballin (San Fernando), Gil Hurtado (South Gate), Edwin Hernandez (Lynwood), W. Michael McCormick (Vernon), Ricardo Pacheco (Baldwin Park), Jhonny Pineda (Huntington Park)
NOES: None
ABSTAIN: None
ABSENT: City of Compton

B. STATUS REPORT/UPDATE ON THE ICFA MARKET RATE LEASE PURCHASE HOMEOWNERSHIP INITIATIVE PROGRAM.

President McCormick excused himself from the meeting at 12:11 p.m., due to a potential conflict, possible income from the purchase of homes under the program, at which time Vice President Hurtado introduced the agenda item.

Guy Burgoon of EMG Markets Group provided an update on the program noting that all agreements are in place but that he is waiting for the development fees to be received. Mr. Burgoon and Glen Price went through each aspect of the program and answered questions from Board Members regarding origination fees and the risk of delaying the program.

Vice President Hurtado asked if there were any additional questions or comments. There were none.

It was unanimously carried to receive and file this item.

President McCormick returned to the meeting at 12:26 p.m.

C. STATUS REPORT/UPDATE ON THE CALIFORNIA SOLAR INITIATIVE'S MULTI-FAMILY AFFORDABLE SOLAR HOUSING (MASH) PROGRAM.

Staff provided a report on the MASH program, including ICFA the process of ICFA being granted authority by PG&E to act as counterparty on deed restrictions. It was also noted that correspondence has been sent to 30 cities making them aware of the MASH program and the benefits to the park owners.

It was moved by Gil Hurtado, seconded by Edwin Hernandez, and unanimously carried to receive and file the report.

D. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD NOVEMBER 1, 2015 TO JANUARY 31, 2016.

It was moved by Gil Hurtado, seconded by Jose Solache, and unanimously carried by the following roll call vote to approve the financial accounting for the period November 1, 2015 to January 31, 2016:

AYES: Sylvia Ballin (San Fernando), Gil Hurtado (South Gate), Edwin Hernandez (Lynwood), W. Michael McCormick (Vernon), Ricardo Pacheco (Baldwin Park), Jhonny Pineda (Huntington Park)

NOES: None

ABSTAIN: None

ABSENT: City of Compton

VI. COMMENTS FROM BOARD MEMBERS.

There were no comments from Board Members.

VII. COMMENTS FROM STAFF.

Staff provided a report on potential projects to be brought to ICFA in the near future.

VIII. ADJOURNMENT.

There being no further business to be discussed, the meeting was adjourned at 12:30 p.m.

Respectfully submitted,

_____/s/_____
Deborah J. Smith
Executive Director

INDEPENDENT CITIES FINANCE AUTHORITY

**BOARD OF DIRECTORS SPECIAL MEETING
APRIL 4, 2016**

MINUTES

I. CALL TO ORDER.

The special meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order in the City of Vernon on April 4, 2016 at 12:07 p.m. by President Mike McCormick.

II. ROLL CALL.

Members Of The Executive Committee/Board of Directors Present (Voting)

W. Michael McCormick, President	Vernon
Gil Hurtado, Vice President	South Gate
Sylvia Ballin	San Fernando
Edwin Hernandez	Lynwood
Emma Sharif	Compton

Alternate Members Of The Board of Directors Present

None

The cities of Baldwin Park and Huntington Park were not represented by a voting member.

Guests Present

Sara Appel	Tripepi Smith & Associates
Pam Newcomb	Newcomb Williams Financial Group
Cameron Weist	The Weist Law Firm
Wes Wolf	Wolf & Company, Inc.

Staff Present

Glen Price	Best Best & Krieger LP
Debbie Smith	Smith, Alvarez & Castillo/ICFA

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

There were no amendments or adjustments to the agenda.

IV. PUBLIC COMMENTS.

There were no members of the public who wished to speak.

V. NEW BUSINESS.

A. APPROVAL OF THE CALAVERAS COUNTY WATER DISTRICT AS AN ASSOCIATE MEMBER (NON-VOTING) OF THE INDEPENDENT CITIES FINANCE AUTHORITY.

Staff provided a brief report on the Calaveras County Water District and noted that the District took action on March 23, 2016 to become an associate (non-voting) member of ICFA.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Gil Hurtado, seconded by Sylvia Ballin, and unanimously carried by the following roll call vote to approve the Calaveras County Water District as an associate member (non-voting) of ICFA, and to authorize President McCormick and staff to execute any and all necessary documents relating thereto:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), W. Michael McCormick (Vernon), Emma Sharif (Compton)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of Huntington Park

B. APPROVAL/ADOPTION OF RESOLUTION NO. 2016-1 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT NECESSARY FOR THE CREATION OF A CCWD PUBLIC FINANCING AUTHORITY).

Staff introduced Cameron Weist, legal counsel for the Calaveras County Water District, who reported generally as follows:

On April 22, 2015 the Calaveras County Water District adopted a resolution Authorizing and Providing for the Incurrence of Indebtedness for the Purpose of Providing for a portion of the Cost of Acquiring, Construction, Enlarging, Improving and/or Extending its Ebbetts Pass Reach 3A Domestic Water Pipeline Replacement Project. The financing for the Project will come from a combination grant and loan from the United States Department of Agriculture (USDA), including a not-to-exceed \$2,622,000 loan component and a \$1,378,000 grant component, with the balance (approximately \$1 million) coming from the District.

During the course of establishing a legal structure for the Project financing, it has been determined that the utilization of a joint exercise of powers agency (or JPA) will provide enhanced savings over other legal structures available to the District, and will therefore be most economically beneficial to the District and its constituents, both now and in the future.

California public agencies commonly create third-party entities to facilitate financing transactions for those circumstances when they do not have the legal authority to issue revenue bonds themselves. The District must currently use a nonprofit corporation for this purpose. In these transactions, which typically involve the use of Certificates of Participation (COPs), the District enters into a lease or installment sale agreement with the Corporation, and the Corporation assigns its right to receive the lease or installment sale payments to a trustee for the COPs; the COPs are sold to investors.

Unfortunately, there is a general prevailing misperception that all COPs are backed by general funds, and, as a result, in the current economic environment in which local agencies' general funds are more and more challenged, investors charge an interest rate premium (of approximately one quarter of one percent) to purchase COPs, even when the COPs are secured by revenues of a water or wastewater enterprise rather than by an agency's general fund. Conversely, revenue bonds are perceived by investors as being a superior credit to COPs, even when all else is equal.

INDEPENDENT CITIES FINANCE AUTHORITY
Board of Directors Meeting, April 4, 2016
Page 4

California law (Government Code Section 6500 et seq.) allows two or more local agencies to create a JPA, which is a legal entity, separate from the parties to the agreement. JPA's have the statutory authority to issue revenue bonds, rather than COPS. District staff has researched various potential agencies that might be willing to create a District-controlled JPA, and has determined that the Independent Cities Finance Authority provides the best available option at this time.

ICFA staff is recommending that the Board work with the District to create a new JPA that will be controlled solely by the Board of Directors of the District, which the new JPA will be called the "CCWD Public Financing Authority." In order for the ICFA to have the authority to enter into an agreement with the District for the formation of the CCWDPFA, it is first necessary for the District to become an associate member of the ICFA. As noted above, the District took action on March 23rd to become an associate member of ICFA.

The new CCWDPFA will be governed by a five-member Board which will consist of each of the Board of Directors of the District. The officers of the new CCWDPFA will be staff members of the District. The JPA Agreement expressly provides that the CCWDPFA will be a public entity separate and apart from the parties to the JPA Agreement and that the debts, liabilities and obligations of the CCWDPFA will not be the debts, liabilities or obligations of either the District or ICFA.

Once the JPA and ICFA agreements are executed, the CCWD Public Financing Authority will hold its first meeting, tentatively scheduled for March 23, 2016. At this meeting the CCWD Public Financing Authority will establish its operational status, including appointment of officers, and in conjunction with the CCWD Board of Directors, adopt the bond documents for the USDA Ebbetts Pass Reach 3a Pipeline Replacement Project loan.

INDEPENDENT CITIES FINANCE AUTHORITY

Board of Directors Meeting, April 4, 2016

Page 5

The District has agreed to pay ICFA a one-time transaction fee of \$12,500, which is inclusive of ICFA staff and legal costs. Any other costs would be related to staff time spent on administrative tasks associated with the formation process.

After a discussion of the item, President McCormick asked if there were any further comments or questions.

It was moved by Gil Hurtado, seconded by Sylvia Ballin, and unanimously carried by the following roll call vote to: 1) approve/adopt Resolution No. 2016-1 authorizing and directing the execution of a Joint Exercise Of Powers Agreement necessary for the creation of the CCWD Public Financing Authority; 2) authorize General Legal Counsel to work with respective parties to finalize necessary documents; and 3) authorize President McCormick and staff to execute to execute any and all necessary documents relating thereto:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), W. Michael McCormick (Vernon), Emma Sharif (Compton)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of Huntington Park

C. STATUS REPORT/UPDATE ON THE ICFA MARKET RATE LEASE PURCHASE HOMEOWNERSHIP INITIATIVE PROGRAM.

President McCormick excused himself from the meeting at 12:16 p.m., due to a potential conflict, possible income from the purchase of homes under the program, at which time Vice President Hurtado introduced the agenda item.

Staff provided a brief update on the program which was approved at the October 7, 2015 Board meeting.

Vice President Hurtado asked if there were any questions or comments. There were none.

It was unanimously carried to receive and file this item.

INDEPENDENT CITIES FINANCE AUTHORITY
Board of Directors Meeting, April 4, 2016
Page 5

President McCormick returned to the meeting at 12:22 p.m.

VI. COMMENTS FROM BOARD MEMBERS.

There were no comments from Board Members.

VII. COMMENTS FROM STAFF.

There were no comments from staff.

VIII. ADJOURNMENT.

There being no further business to be discussed, the meeting was adjourned at 12:24 p.m.

Respectfully submitted,

_____/s/
Deborah J. Smith
Executive Director

D. STATUS REPORT/UPDATE ON THE ICFA MARKET RATE LEASE PURCHASE HOMEOWNERSHIP INITIATIVE PROGRAM AND CONSIDERATION OF ADVANCING FUNDS FOR THE MPPI POLICY.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

A verbal report will be provided at the meeting, including consideration of advancing funds for the MPPI Policy.

C. RECOMMENDATION:

Provide direction to staff relative to advancing funds for the MPPI Policy.

E. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD FEBRUARY 1, 2016 TO MARCH 31, 2016.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

Receipts for the period February 1, 2016 to March 31, 2016 were as follows:

Millbrook monthly fees (2 months)	\$ 228.34
Castle monthly fees (2 months)	1,079.16
Yucaipa monthly fees (2 months)	1,080.00
Vista de Santa Barbara monthly fees (2 months)	1,405.00
Hacienda monthly fees (2 months)	1,714.34
Palm Springs monthly fees (2 months)	1,903.32
Santa Rosa monthly fees (2 months)	2,066.00
Westlake monthly fees (2 months)	3,024.00
Rancho Vallecitos monthly fees (2 months)	3,438.32
Rohnert Park monthly fees (2 months)	3,750.84
Pillar Ridge monthly fees (2 months)	4,930.00
Lamplighter loan payment (2 months)	4,934.00
TOTAL RECEIPTS	\$ 29,553.32

AGENDA SUMMARY
May 3, 2016
Page 7

Expenditures for the period February 1, 2016 to March 31, 2016 were as follows:

FedEx Office (Copy Fees)	\$ 31.74
Alliance Business & Shipping (Shipping Fees)	16.00
Smith, Alvarez & Castillo (Staff Services)	18,750.00
Ken Spiker And Associates, Inc. (Office Rent)	800.00
Ken Spiker And Associates, Inc. (Office Expenses)	178.46
W. Michael McCormick (Stipend for Feb. 17th Board Meeting)	150.00
Sylvia Ballin (Stipend for Feb. 17th Board Meeting)	150.00
Edwin Hernandez (Stipend for Feb. 17th Board Meeting)	150.00
Gil Hurtado (Stipend for Feb. 17th Board Meeting)	150.00
Ricardo Pacheco (Stipend for Feb. 17th Board Meeting)	150.00
Jhonny Pineda (Stipend for Feb. 17 th Board Meeting)	150.00
Jose Solache (Stipend for Feb. 17th Board Meeting)	150.00
City of South Gate (Lunch - Board Meeting)	132.15
Smith, Alvarez & Castillo (Staff Services)	18,750.00
Ken Spiker And Associates, Inc. (Office Rent)	800.00
Ken Spiker And Associates, Inc. (Office Expenses)	180.93
League of California Cities (Meeting)	45.00
Tripepi Smith & Associates (Marketing Services)	<u>1,537.81</u>
TOTAL EXPENDITURES	\$ 42,272.09

ICFA account balances as of March 31, 2016 are as follows:

Bank of America	\$ 41,962.59
LAIF	\$193,823.63

It should also be noted that ICFA has two outstanding loans: One to Millennium Housing in the amount of \$250,000 and another to Augusta Communities in the amount of \$90,000.

C. RECOMMENDATION:

Approve the financial accounting for the period February 1, 2016 to March 31, 2016.

VI. COMMENTS FROM BOARD MEMBERS.

A. MATERIAL ENCLOSED:

None.

AGENDA SUMMARY

May 3, 2016

Page 8

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VII. MATTERS FROM STAFF.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VIII. ADJOURNMENT.