



M-S-R Public Power Agency

SPECIAL MEETING
OF THE FINANCIAL MANAGEMENT COMMITTEE
Wednesday, November 19, 2014, 11:15 AM

TELEPHONIC MEETING LOCATIONS:

Modesto Irrigation District
1231 Eleventh Street
Modesto, CA 95354

City of Santa Clara – Electric Department
1500 Warburton Avenue
Santa Clara, CA 95050

City of Redding – Electric Utility
777 Cypress Street
Redding, CA 96001

Dial-in: 877-402-9757
Access Code: 3325500

AGENDA

Any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee's consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so.

1. Call to Order
2. Roll Call
3. *Approval of Minutes of February 20, 2014* (attached)
4. *Discussion and Possible Action Regarding Approval of Extension of Agreement With Montague DeRose and Associates LLC For Professional Financial Advisor Services* (attached, Martin Hopper)
5. *Closed Session:* Anticipated Litigation: Government Code §54956.9 (d)(2) – 1 Case
6. Public Comment
7. *Confirm date and time of next meeting*
8. Adjourn

ALTERNATE FORMATS OF THIS AGENDA WILL BE MADE AVAILABLE UPON REQUEST TO QUALIFIED INDIVIDUALS WITH DISABILITIES.



M-S-R PUBLIC POWER AGENCY

DRAFT MINUTES

SPECIAL MEETING OF THE FINANCIAL MANAGEMENT COMMITTEE FEBRUARY 20, 2014

The Financial Management Committee of the M-S-R Public Power Agency (M-S-R PPA) met telephonically for a Special Meeting on February 20, 2014, with telephonic meeting locations as follows: Modesto Irrigation District, 1231 Eleventh Street, Modesto, CA 95354; City of Santa Clara – Electric Department, 1500 Warburton Avenue, Santa Clara, CA 95050; and City of Redding – Electric Utility, 777 Cypress Street, Redding, CA 96001. Present from Modesto Irrigation District (MID) were Scott van Vuren (by telephone); present from Santa Clara was Jan Pepper (by telephone); and present from Redding was Mark Haddad (by telephone). Also participating by telephone was General Manager Martin R. Hopper and Financial Advisors Frank Perdue and Natalie Perkins.

Mr. Hopper acted as chairperson and called the meeting to order at 2:01 PM. A quorum was attained with the Member representatives being Mr. van Vuren, Ms. Pepper, and Mr. Haddad.

The Committee then considered approval of the draft minutes of its meeting of January, 22, 2014. It was moved by representative van Vuren and seconded by representative Pepper to approve the minutes of the January 22, 2014 meeting as corrected. On the call of the roll, the motion carried unanimously.

Mr. Hopper then addressed the Committee regarding the proposed renewal of the Series 2008 M & N Bonds direct placement with Wells Fargo Bank which expires June 14, 2014 at the end of its original three-year term. The Agency has been approached by Wells Fargo Bank regarding a potential renewal at what appear to be attractive terms. The

proposal has been reviewed by the Agency's Financial Advisor, Montague DeRose and Associates, Inc. Mr. Perdue then addressed the Committee regarding his report wherein the Financial Advisor has recommended the Agency pursue this extension and described their review and due diligence regarding comparable transactions. He indicated there would be no advantage to the Agency in seeking further proposals and that the proposed terms are advantageous to the Agency. He also stated a very small improvement in the margin regarding the taxable portion of the transaction may be attainable, but would not significantly change the benefits. It was moved by representative Pepper and seconded by representative van Vuren to direct the Financial Advisor and General Manager to negotiate a potential renewal of the Series 2008 M and N Bonds Direct Placement with Wells Fargo Bank and to bring back an approvable package to the M-S-R PPA Commission no later than March 19, 2014. Upon the call of the roll, the motion carried unanimously.

The Chair then called for Public Comment. There being none, the Chair announced that the next regular meeting of this committee remains Wednesday, May 7, 2014, and that special meetings will be called on an emergent basis as may be required. The meeting was then adjourned by Mr. Hopper at 2:16 PM.

Respectfully Submitted,

Martin R. Hopper
General Manager