

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – February 20, 2018

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, at 6:30 PM on Tuesday, February 20, 2018. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Directors Tom Campbell, Ed Colley, Kathy Colley, William Cooper, Dean Efstathiou, Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Dan Mortensen and Lynne Plambeck were in attendance.

DIRECTORS ABSENT: B. J. Atkins, Robert DiPrimio and Jacque McMillan.

Also present: Matthew Stone, General Manager; Joe Byrne, General Counsel; April Jacobs, Board Secretary; Steve Cole, Assistant General Manager; Valerie Pryor, Assistant General Manager; Brian Folsom, Chief Engineer; Shadi Bader, Senior Engineer; Jim Leserman, Senior Engineer; Jason Yim, Principal Engineer; Keith Abercrombie, Chief Operating Officer; Dirk Marks, Director of Water Resources; Kathie Martin, Public Information Officer; Councilmember Miranda; Bill Pecs; and members of the public.

President Cooper called the meeting to order at 6:31 PM. A quorum was present.

Upon motion of Director Gladbach, seconded by Director Campbell and carried, the Agenda was approved by the following voice votes (Item 4):

Director Atkins	Absent	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Gladbach, seconded by Director Efstathiou and carried, the Board approved Resolution No. SCV-20 honoring and commending William Pecs for his service and dedication as a Director of the Castaic Lake Water Agency by the following voice votes (Item 5a):

Director Atkins	Absent	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-20

RESOLUTION OF THE BOARD OF DIRECTORS OF

**THE SANTA CLARITA VALLEY WATER AGENCY
HONORING AND COMMENDING WILLIAM PECSI
FOR HIS SERVICE AND DEDICATION**

WHEREAS, William Pecsí served on the Castaic Lake Water Agency Board of Directors from December 1998 to January 2018; and

WHEREAS, Mr. Pecsí served as Castaic Lake Water Agency Board Vice President from January 2003 through December 2004; and

WHEREAS, Mr. Pecsí served as Castaic Lake Water Agency Board President from January 2005 through December 2008; and

WHEREAS, Mr. Pecsí served as Chair of the Planning and Engineering Committee and the Transition Committee and Vice Chair of the Financial and Operations Committee, Finance and Administration Committee and Retail Operations Committee; and

WHEREAS, Mr. Pecsí was a member of the Finance and Administration Committee, Governmental Relations and Outreach Committee; Planning and Engineering Committee, Retail Committee, Valencia Water Company Shareholders Committee and the Water Resources Committee; and

WHEREAS, Mr. Pecsí was instrumental in laying the foundation for the Santa Clarita Valley Water Agency; and

WHEREAS, Mr. Pecsí has provided valuable water industry insights and has served as a mentor to many in the industry and in the Santa Clarita Valley; and

WHEREAS, the Board of Directors deem it most fitting that Mr. Pecsí's outstanding service to the Agency and the people it serves be publicly and appropriately recognized.

NOW THEREFORE BE IT RESOLVED, that the Santa Clarita Valley Water Agency Board of Directors thanks William Pecsí for his years of public service to the Board, employees of the Castaic Lake Water Agency and the residents of the Santa Clarita Valley through his many significant contributions and leadership during his time as a Castaic Lake Water Agency Board member.

The Board recognized William Pecsí for his distinguished service with the Castaic Lake Water Agency (Item 5b).

President Cooper took a brief recess at 6:46 PM and reconvened the meeting at 6:56 PM.

Upon motion of Director Colley, seconded by Director Gladbach and carried, the Board approved the Consent Calendar including the change to the February 6, 2018 Board meeting reflecting a start time of 6:30 PM and Resolution Nos. SCV-21, SCV-22 and SCV-23 by the following voice votes (Item 6):

Director Atkins	Absent	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY ESTABLISHING ITS INVESTMENT POLICY

1.0 POLICY

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 53601 et seq., and

WHEREAS; the Treasurer of the Santa Clarita Valley Water Agency ("Agency"), acting under the direction and authority of the Finance and Operations Committee of the Agency, shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting;

NOW THEREFORE, it shall be the policy of the Agency to invest funds in a manner, which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Agency and conforming to all statutes governing the investment of Agency funds.

2.0 SCOPE

This investment policy applies to all financial assets of the Agency. These funds are accounted for in the annual Agency audit. The Agency pools all cash for investment purposes. This policy is applicable, but not limited to all funds listed below:

General/Operating Fund
Special Revenue Funds

- a) One Percent Property Tax Fund
- b) Facility Capacity Fee Fund
- c) State Water Project Fund

Capital Project Fund
Debt Service Fund

Reserve Funds
Enterprise Fund
Grant Funds

3.0 PRUDENCE; RESPONSIBILITY

3.1 Prudence: Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

3.2 Responsibility: The Treasurer and other individuals assigned to manage the investment portfolio, acting with the intent and scope of this investment policy while exercising due diligence, shall be relieved of personal responsibility for the credit risk and market price risk for securities held in the investment portfolio, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the Agency shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

4.2 Liquidity: The investment portfolio will remain sufficiently liquid to enable the Agency to meet all operating requirements and budgeted expenditures. Investments will be undertaken with the expectation that unplanned expenses will be incurred; therefore, portfolio liquidity will be created to cover reasonable contingency costs.

4.3 Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. The goal is to maximize return while ensuring that safety and liquidity objectives are not compromised.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code 53600, et seq. Overall accountability and authority for implementation of this policy shall remain with the Board of Directors of the Agency and overseen by the Agency's Finance and Operations Committee. The day-to-day responsibility for management and implementation of the investment program is hereby delegated to the Treasurer, who, where and when appropriate, shall establish written procedures for the operation of the investment program consistent with this investment policy. With this delegation the Treasurer is given the authority to utilize internal staff and outside investment managers to assist in the investment program. The Treasurer shall use care to assure that those assigned responsibility to assist in the management of the Agency's portfolio do so in accordance with this policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code 53600.3, the Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

6.0 ETHICS AND CONFLICTS OF INTEREST

The Treasurer and officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Officials and staff members involved with the investment function shall disclose to the Board of Directors any personal financial interest with a financial institution, broker or investment issuer conducting business with the Agency. Officials and staff members shall further disclose to the Board of Directors any personal financial interest in any entity related to the investment performance of the Agency's portfolio.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Treasurer shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the Agency's account with that firm has reviewed the Agency's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Agency that are appropriate under the terms and conditions of the Investment Policy.

The Agency is a local agency authorized to invest surplus monies in the Local Agency Investment Fund (LAIF). LAIF is a special trust fund in the custody of the State Treasurer and

the Local Investment Advisory Board created under Government Code Section 16429.2, which advises the State Treasurer on the investment and reinvestment of LAIF deposits. Each local agency with LAIF deposits has a separate account within LAIF, but the total deposits in LAIF are managed as a pooled investment account. The securities eligible for LAIF investments are statutorily specified in Government Code Section 16430 and are more conservative than those investments permitted under Government Code Section 53601, which governs the management of invested surplus monies by local agencies. Accordingly, the Treasurer need not be concerned with the qualifications of those financial institutions and broker/dealers with whom LAIF transacts business.

8.0 PORTFOLIO MATURITY LIMITS

The maximum maturity for any single investment in the portfolio shall not exceed five years. The maximum weighted average maturity for the investment portfolio shall not exceed three years.

When a security has a mandatory put date, the put date should be used when calculating weighted average portfolio maturity. When a security has an optional put date, the optional put date should be used when calculating weighted average portfolio maturity so long as the put is at the discretion of the Agency and the put price is equal to or greater than the market value for the security. (A put is a contract that gives its holder the right to sell an underlying security, commodity, or currency before a certain date for a predetermined price.)

9.0 AUTHORIZED AND SUITABLE INVESTMENTS

The Agency is empowered by California Government Code 53601 et seq. to invest in the following:

- 9.1** Bonds issued by the Agency.
- 9.2** United States Treasury Bills, Notes and Bonds.
- 9.3** Registered state warrants or treasury notes or bonds issued by the State of California.
- 9.4** Registered treasury notes or bonds of any of the 49 United States in addition to California, including bonds payable solely out of revenues from revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.
- 9.5** Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency; and also including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies. The LAIF is an approved pooled investment account.
- 9.6** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

9.7 Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances may not exceed 180 days' maturity or 40% of the Agency's money that may be invested pursuant to this policy. However, no more than 30% of the Agency's money can be invested in the bankers' acceptances of any single commercial bank.

9.8 Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally-recognized statistical-rating organization. The entity that issues the commercial paper shall either be:

9.8.1 organized and operating within the United States as a general corporation, shall have total assets in excess of Five Hundred Million Dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by a nationally-recognized statistical-rating organization; or

9.8.2 organized within the United States as a special-purpose corporation, trust, or limited liability company, have program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally-recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of 270 days or less. The Agency shall invest no more than 25% of its money in eligible commercial paper. The Agency shall purchase no more than 10% of the outstanding commercial paper of any single corporate issue.

9.9 (i) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state-licensed branch of a foreign bank; and (ii) certificates of deposit at a commercial bank, savings bank, savings and loan association or credit union that uses a private sector entity that assists in the placement of such certificates of deposit, pursuant to Government Code Section 53601.8.

Purchases of negotiable certificates of deposit under (i) of this section and certificates of deposit under (ii) of this section may together not exceed 30% of the Agency's money which may be invested pursuant to this policy. The Board of Directors and the Treasurer are prohibited from investing Agency funds, or funds in the Agency's custody, in negotiable certificates of deposit issued by a state or federal credit union if a member of the Board of Directors, or any person with investment decision-making authority within the Agency also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

9.10 Repurchase/Reverse Repurchase Agreements of any securities authorized by Section 53061. The market value of securities that underlay a repurchase agreement shall be valued at one hundred two percent (102%) or greater of the funds borrowed against those securities, and are subject to the special limits and conditions of California Government Code 53601(j).

9.11 Medium term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of 5 years or less, issued by corporations organized and operating with the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes shall not include other instruments authorized by this policy and shall not exceed 30% of the Agency's money which may be invested pursuant to this policy.

9.12 Shares of beneficial interest issued by diversified management companies (mutual funds) investing in the securities and obligations authorized by this policy, and shares in money market mutual funds, subject to the restrictions of California Government Code Section 53601(l). The purchase price of investments under this subdivision shall not exceed 20% of the Agency's investments under this policy. However, no more than 10% of the Agency's money may be invested in any one mutual fund.

9.13 Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

9.14 Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

9.15 Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer rated in a rating category of "A" or its equivalent or better for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision shall not exceed 20% of the Agency's money that may be invested pursuant to this policy.

9.16 Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized under Government Code Section 53601. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible, the joint powers authority issuing the shares must have retained an investment advisor that is registered

or exempt from registration with the Securities and Exchange Commission, have not less than five years of experience in investing in the securities and obligations authorized under Government Code Section 53601, and have assets under management in excess of five hundred million dollars (\$500,000,000).

9.17 Proposition 1A receivables sold pursuant to California Government Code Section 53999. A "Proposition 1A receivable" constitutes the right to payment of moneys due or to become due to a local agency, pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the Revenue and Taxation Code.

9.18 United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

9.19 Any other investment security authorized under the provisions of California Government Code Sections 5922 and 53601.

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as otherwise provided in Government Code Section 53601.

The Agency shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

10.0 COLLATERALIZATION

All certificates of deposit must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code 53601(i)(2).

11.0 SAFEKEEPING AND CUSTODY

All securities owned by the Agency, except collateral for repurchase agreements, will be held in safekeeping at a third party bank trust department that will act as agent for the Agency under terms of a custody agreement.

Securities used as collateral for repurchase agreements with a term of up to seven days can be safe kept by a third party bank trust department, or by the broker/dealer's safekeeping institution, acting as agent for the Agency under the terms of a custody agreement executed by the broker/dealer and the Agency and specifying the Agency's perfected ownership of the collateral.

Payment for all transactions will be conducted on a delivery-versus-payment (DVP) basis.

12.0 LEVERAGING

Investments may not be purchased on margin. Securities can be purchased on a "When Issued" basis only when a cash balance can be maintained to pay for the securities on the purchase settlement date.

13.0 DIVERSIFICATION

The Agency will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

Diversification strategies shall be reviewed and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

13.1 Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

13.2 Maturities selected shall provide for stability of income and liquidity.

13.3 Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

14.0 REPORTING

The Treasurer shall submit to each member of the Board of Directors an investment report at least monthly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for Agency by third party contracted managers. The report will also include the source of the portfolio valuation. For funds, which are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Agency will meet its expenditure obligations for the next six months as required by Government Code Section 53646(b)(2) and (3), respectively. The Treasurer shall maintain a complete and timely record of all investment transactions.

15.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Agency. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

RESOLUTION NO. SCV-22

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY ESTABLISHING A NEW ACCOUNT WITH UBS FINANCIAL SERVICES INC.

WHEREAS, The Agency seeks to benefit from opening and maintaining one or more securities, loan and/or guarantee accounts at UBS Financial Services Inc. ("UBS").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Santa Clarita Valley Water Agency (the "Agency") is authorized to establish with UBS one or more accounts for the purchase and sale of securities, money/currency, stocks, options, bonds, notes, futures contracts, commodities, commercial paper, certificates of deposit and other obligations, contracts, all other property usually and customarily dealt in by brokerage firms, the establishment of credit and/or the guarantee of another person's or entity's obligations (the "Account").
2. The Agency is authorized to use the Account(s) and services offered by UBS to (a) sell short, (b) trade on margin, (c) borrow and/or obtain credit (including all manner of credits and/or letters of credit) from time to time from UBS and guarantee obligations of others to UBS in United States dollars or any foreign currency, (d) effect UBS Card transactions, (e) contract for any and all investment management and advisory services that UBS now or hereafter provides and delegate discretion to UBS or to a subadvisor in connection with such services, and (f) pledge, mortgage, assign or subject to a security interest or lien any property of any sort of the Agency as security for any liability of the Agency.
3. Each of the officers or authorized representatives named on the Client Information (each, together with persons designated under resolution 4 below, hereinafter called an "Authorized Person") are authorized individually, without counter signature or co-signature, to act on behalf of the Agency and UBS is authorized, but not obligated, to deal with each Authorized Person individually in connection with all aspects of the Accounts, to (a) open the Account(s) and execute on any and all relevant documents on behalf of the Agency, (b) obtain all such services as UBS shall offer, including investment advisory services and to purchase and sell and enter into any transaction whatsoever in connection with the Account(s) and the property therein, and (c) to execute and deliver to UBS on behalf of the Agency any and all tax forms and other tax-related documents for an Account of this Agency (including without limitation U.S. Internal Revenue Service Forms W-8 and W-9, as applicable, and any documents relating thereto) and to make any certifications or representations under penalty of perjury on behalf of the Agency that are required by such forms or documents.
4. The Authorized Persons are authorized to appoint one or more attorneys-in-fact or agents to act on behalf of the Agency in the same capacity as set forth above, and are authorized to execute and deliver to UBS any powers of attorney or other documents to effect or evidence such appointment.
5. UBS is authorized, but not obligated, to deal with each Authorized Person individually, as follows, subject to the Agency having completed documentation relating to the relevant products and services and subject to UBS policy and practice as in effect from time to time:
 - a) to accept all orders for purchases and sales and all instructions of any nature whatsoever in connection with the Account(s) which UBS Financial Services Inc.

believes in good faith to have been originated by an Authorized Person; to receive any funds, securities or other property for the Account(s) of the Agency;

- b) to receive drafts, checks or other funds or property delivered to it for deposit for the Account(s) of the Agency, whether or not endorsed with the name of the Agency or unendorsed; and to honor written instructions from each Authorized Person to deliver either in bearer form, in street certificates, in any names or in any other manner any funds, securities or other property held for the Account(s) of the Agency;
 - c) to honor instructions from each Authorized Person to write checks, drafts, instruments, instructions or orders for the payment or withdrawal of funds drawn on the Account(s) or payable to the order of the Agency ("Payments") without limit as to amount, without inquiry including Payments to the order of or in favor of any person who authorized the Payment or any other officer, authorized representative or agent of the Agency and UBS, its subsidiaries and affiliates shall not be liable for any disposition which any such officer or authorized representative or agent shall make of all or any part of any Payment notwithstanding that such Payment may be for the personal account or benefit or in payment of the individual obligation of any such officer or authorized representative or agent to UBS, or otherwise;
 - d) to open deposit accounts in foreign currencies with any depository to purchase, sell, transfer, or dispose of for present or future delivery foreign moneys, credits or exchange on deposit or otherwise and all manner of instruments representative thereof by endorsement or otherwise, and to execute and deliver any agreements or instruments relating to any such transactions.
6. Any and all actions previously taken with respect to matters provided for by these resolutions are hereby ratified, confirmed and approved.
 7. These resolutions supersede any previous resolutions of the Agency presented to UBS Financial Services Inc. regarding the Account(s). UBS, its subsidiaries and affiliates are authorized to rely upon the authority conferred by these resolutions and until UBS receives written notice of an amendment modification or revocation of these resolutions. In the event that UBS for any reason, is uncertain as to the continuing effectiveness of these resolutions or the authority to any Authorized Person, UBS may refrain from taking any action with respect to the Account(s) until such time as it is satisfied as to its authority.
 8. In consideration of UBS and any of its subsidiaries or affiliates acting in reliance upon these resolutions or any certification by the Secretary or Assistant Secretary or other certifying officer, they shall be fully protected in so acting and the Agency agrees to indemnify and save harmless UBS and any of its subsidiaries or affiliates from and against any and all loss, damage, liability, claims and expenses including legal fees arising out of their so acting or its refraining from taking any action.
 9. The Secretary or an Assistant Secretary or other duly authorized certifying officer of the Agency is authorized and directed to certify to UBS and any of its subsidiaries or affiliates:

- a) that these resolutions have been duly adopted, are in full force and effect and are in accordance with provisions of applicable law, the charter and by-laws, or other similar governing documents and rules of the Agency;
- b) the identities and specimen signatures of the Agency's Authorized Persons and, from time to time hereafter, such changes as may occur in the identities of such Authorized Persons as such are made.

ATTENTION TRANSFER AGENT

10. Any authorized Person is fully authorized and empowered to transfer, convert, endorse, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidence of indebtedness, or other securities now or hereafter standing in the name of or owned by the Agency, and to make, execute and deliver, under the corporate seal of the Agency or otherwise, any and all written instruments of assignment and transfer necessary or proper to effectuate the authority hereby conferred.
11. Whenever there shall be annexed to any instrument of assignment and transfer, executed pursuant to and in accordance with the foregoing resolution, a certificate of the Secretary or an Assistant Secretary of the Agency or other duly authorized certifying officer in office at the date of such certificate and such certificate shall set forth these resolutions and shall state that these resolutions are in full force and effect, and shall also set forth the names of the persons who are then officers or authorized representatives of the Agency, then all persons to whom such instrument with the annexed certificate shall thereafter come, shall be entitled, without further inquiry or investigation and regardless of the date of such certificate, to assume and to act in reliance upon the assumption that the shares of stock or other securities named in such instrument were theretofore duly and properly transferred, endorsed, sold, assigned, set over and delivered by the Agency, and that with respect to such securities the authority of these resolutions and of such officers or authorized representatives is still in full force and effect.

RESOLUTION NO. SCV-23

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING APPLICATION
TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA
FOR A CERTIFICATE OF CONSENT TO SELF-INSURE
WORKERS' COMPENSATION LIABILITIES**

WHEREAS, the Santa Clarita Valley Water Agency is a public entity organized and existing under the laws of the State of California; and

WHEREAS, pursuant to the provisions of Section 3700 of the California Labor Code, said Agency may self-insure for Workers' Compensation Liabilities in a joint protection program; and

WHEREAS, the Association of California Water Agencies Joint Power Insurance Authorities (ACWA-JPIA) has advised that said joint protection program will return to permanent self-insured status effective July 1, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clarita Valley Water Agency authorizes and empowers the General Manager to make application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure workers' compensation liabilities, and to execute any and all documents required for such application on behalf of said Agency.

Upon motion of Director Martin, seconded by Director Efstathiou and carried, the Board approved the revision to the Purchasing Policy, effective immediately, by the following voice votes (Item 8a):

Director Atkins	Absent	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

AB 1234 Reports (Item 11):

Written reports were submitted and filed by Directors Atkins, Martin and McMillan.

President Cooper reported that he and Vice President Kelly attended the VIA monthly luncheon held at the Valencia Hyatt on February 20, 2018.

Vice President Kelly reported that he attended the Urban Water Institute Conference held in San Diego on February 7-9, 2018.

Director Efstathiou reported that he attended the Urban Water Institute Conference held in San Diego on February 7-9, 2018.

Upon motion of Director Gladbach, seconded by Director Martin and carried, the meeting was adjourned at 8:16 PM by the following voice votes (Item 13):

Director Atkins	Absent	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent

Director Mortensen

Yes

Director Plambeck

Yes


April Jacobs, Board Secretary

ATTEST:


President of the Board

