

B. FINANCING CORPORATION ACTIVITY REPORT

PROPOSED ACTION

Adopt a resolution to accept the VWFD Financing Corporation Activity Report as submitted.

5. **COMMUNITY FORUM:** *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Board to resolve, may email publiccomment@vallejowastewater.org. Pursuant to VFWD Rules of Procedure, Community Forum is limited to a total of 1,500 words, with each speaker limited to 300 words. Submitted comments will be read by the Clerk of the Board aloud at the meeting if the meeting has not proceeded to Item 9 on the agenda when received.*

6. **ADJOURNMENT**



I, Sharon Emondson, Senior Office Assistant of Vallejo Flood and Wastewater District declare that the foregoing agenda for the July 14, 2020, Regular Meeting was posted and available for review by the required time as prescribed by law at the District office located at 450 Ryder Street, Vallejo, California. This agenda is also available on the District website at www.vallejowastewater.org.



District Manager
Melissa Morton

July 14, 2020

BOARD COMMUNICATION

Consent Item No. 4B

TO: THE HONORABLE PRESIDENT AND BOARD OF DIRECTORS

FROM: MELISSA MORTON, DISTRICT MANAGER
JEFF TUCKER, DIRECTOR OF FINANCE/TREASURER

SUBJECT: FINANCING CORPORATION ACTIVITY REPORT

BACKGROUND AND DISCUSSION

The Vallejo Flood and Wastewater District Financing Corporation (VFWDFC) is a non-profit, public benefit corporation established to assist the Vallejo Flood and Wastewater District (the District) with issuing and administering tax-exempt municipal debt to finance capital projects. Pursuant to the 1993 Certificates of Participation (COPs) Installment Purchase Agreement which was approved by the Board of Trustees of the District at time of debt issuance, the District is responsible for debt service payments. The District is in compliance with all Trust Agreement covenants.

The only debt issuance currently subject to the oversight of the VFWDFC which is reported on below are the 1993 COPs. Detailed information on all District debt can be located in the Notes to the Financial Statements contained in the Comprehensive Annual Financial Report (CAFR). New debt is being evaluated as one of the funding options for the MIPS Project with analysis thereof being provided the District’s Board of Trustees in the coming months.

The 1993 Certificates of Participation were issued on July 1, 1993, in the amount of \$38,905,000 with net proceeds used to: finance the construction of sewage collection, treatment and flood control facilities; defease then outstanding 1988 COPs; and fund a debt service reserve fund. Principal is due annually on July 1 with interest due semi-annually on January 1 and July 1. The COPs are fixed rate and not subject to optional prepayment prior to their stated maturity dates except from the proceeds of insurance or condemnation. Certificates maturing on or after July 1, 2009, are subject to mandatory prepayment without premium on dates and in amounts set forth in the Official Statement. Annual debt service requirements are as follows:

| Fiscal Year End | 1993 Certificates of Participation | | |
|---------------------------|------------------------------------|------------------|---------------------|
| | Principal | Interest | Total |
| 2020 | \$ 2,640,000 | \$ 66,000 | \$ 2,706,000 |
| 2021 | \$ - | \$ - | \$ - |
| Total Requirements | \$ • 2,640,000 | \$ 66,000 | \$ 2,706,000 |

During Fiscal Year 2019-20, the District made its final debt service payment to the Trustee, Bank of New York Mellon Trust Company, N.A. ("BNYM"), who made the final payment to bond holders on July 1, 2019. Later that same month, BNYM returned to the District the debt service reserve that it had been holding, plus accumulated interest.

With this final debt service payment, the District's obligations to the VFWDFC have been met in full, and the 1993 Certificates of Participation have been defeased.

RECOMMENDATION

Approve and accept the report as presented.

ALTERNATIVES CONSIDERED

None.

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None.

PROPOSED ACTION

Adopt a resolution to accept the VFWD Financing Corporation Activity Report as submitted.

DOCUMENTS ATTACHED

- A. Resolution

CONTACT PERSON

Jeff Tucker, VFWD Director of Finance/Treasurer, (707) 652-7802

**FINANCING CORPORATION
RESOLUTION NUMBER 2020 -**

**A RESOLUTION TO APPROVE AND ACCEPT THE VFWD FINANCING
CORPORATION ACTIVITY REPORT**

BE IT RESOLVED, by the Board of Directors of the Vallejo Flood and Wastewater District (VFWD) Financing Corporation of Solano County as follows:

WHEREAS, the VFWD Financing Corporation Bylaws require an annual business meeting to discuss current and future business of the Corporation; and

WHEREAS, District staff has provided such a report for the fiscal year ended June 30, 2020.

IT IS, THEREFORE, RESOLVED, by the Board of Directors of the Vallejo Flood and Wastewater District Financing Corporation accepts the staff report as presented.

ADOPTED by the Board of Directors of the Vallejo Sanitation and Flood Control District Financing Corporation on the 14th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 14th day of July, 2020.

MJ BROWN
Clerk of the Board