



District Manager  
Melissa Morton

VALLEJO FLOOD AND WASTEWATER DISTRICT  
FINANCING CORPORATION  
REGULAR MEETING AGENDA

6:05 P.M. – CITY COUNCIL CHAMBERS  
555 SANTA CLARA STREET, VALLEJO CA 94590  
JULY 09, 2019

Board of Trustees  
Bob Sampayan (President)  
Pippin Dew (Vice-President)  
Hakeem Brown  
Erin Hannigan  
Robert McConnell  
Katy Miessner  
Hermie Sunga  
Rozzana Verder-Aliga

*Notice: Members of the public shall have the opportunity to address the Board concerning any item listed on this notice before or during consideration of that item. No other items may be discussed during this meeting.*

*The City Council Chambers is ADA compliant. Devices for the hearing impaired are available from the Clerk of the Board. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the Clerk of the Board's office no less than 48 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. Please contact our office at (707) 644-8949.*

*Any writings or documents related to an agenda item for the open session of this meeting are available for public inspection during normal business hours at the front counter of the District office, located at 450 Ryder Street.*

**1. CALL TO ORDER**

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

**4. COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC:** *Members of the public wishing to address the Board on Consent Calendar Items are requested to submit a completed speaker card to the Clerk of the Board. Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.*

**5. CONSENT CALENDAR AND APPROVAL OF AGENDA:** *All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.*

- A. APPROVAL OF MINUTES FROM THE REGULAR MEETING OF MARCH 13, 2018.

PROPOSED ACTION

Approve the minutes from the regular meeting of March 13, 2018.

**6. ADMINISTRATIVE ITEMS**

- A. FINANCING CORPORATION ACTIVITY REPORT

PROPOSED ACTION

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

7. **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 step to the podium and state his/her name and address for the record. Pursuant to Vallejo Flood and Wastewater District Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to **three minutes**.*

8. **ADJOURNMENT**



I, Shalon Edmondson, Senior Office Assistant of Vallejo Flood and Wastewater District declare that the foregoing agenda for the July 09, 2019, 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](http://www.vallejowastewater.org).



District Manager  
Melissa Morton

VALLEJO SANITATION AND  
FLOOD CONTROL DISTRICT  
FINANCING CORPORATION  
REGULAR MEETING MINUTES

6:30 P.M. – CITY COUNCIL CHAMBERS  
555 SANTA CLARA STREET, VALLEJO CA 94590  
MARCH 13, 2018

Board of Trustees  
Bob Sampayan (President)  
Katy Miessner (Vice-President)  
Pippin Dew-Costa  
Erin Hannigan  
Jess Malgapo  
Robert McConnell  
Hermie Sunga  
Rozzana Verder-Aliga

1. **CALL TO ORDER** - The regular meeting of the Vallejo Sanitation and Flood Control District Financing Corporation was called to order at 7:10 PM with President Sampayan presiding.
2. **PLEDGE OF ALLEGIANCE** – The pledge of allegiance was not recited as it had been recited in the meeting directly prior.
3. **ROLL CALL** - On roll call present were: President Sampayan; Directors Hannigan, Malgapo, McConnell, Miessner, and Verder-Aliga. Absent: Directors Dew-Costa and Sunga.

Others present were; Melissa Morton, District Manager; Holly Charléty, Clerk of the Board; Mary Morris, Finance Director; Ken Taylor, Field Operations Superintendent; Ben Stock, District Legal Counsel; and Leah Castilla, District Assistant Legal Counsel.

4. **COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC:** *Members of the public wishing to address the Board on Consent Calendar Items are requested to submit a completed speaker card to the Clerk of the Board. Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda. - None*
5. **CONSENT CALENDAR AND APPROVAL OF AGENDA:** *All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.*

President Sampayan called for a motion to approve the item, Director Miessner moved the item.

AYES: President Sampayan; Directors Hannigan, Malgapo, McConnell, Miessner, and Verder-Aliga.  
NOES: None  
ABSENT: Director Dew-Costa and Sunga  
ABSTAIN: None

- A. APPROVAL OF MINUTES FROM THE REGULAR MEETING OF JANUARY 10, 2017.

PROPOSED ACTION

Approve the minutes from the regular meeting of January 10, 2017.

- B. AUTHORIZATION TO TAKE ACTIONS NECESSARY TO CHANGE THE NAME

OF THE CORPORATION

PROPOSED ACTION

Adopt a resolution authorizing the District Manager to change the name of the Corporation to “Vallejo Flood and Wastewater District Financing Corporation”; amend the Articles of Incorporation and Bylaws to reflect the new name; file the necessary documents with the Secretary of State; and take any other necessary steps to implement the new Corporation name. [Resolution 2018-5856](#)

**6. ADMINISTRATIVE ITEMS**

A. FINANCING CORPORATION ACTIVITY REPORT

PROPOSED ACTION

Adopt a resolution to accept the Financing Corporation Activity Report as submitted. [Resolution 2018-5857](#)

[President Sampayan called for a motion to approve, Director Miessner moved the item.](#)

[AYES: President Sampayan; Directors Hannigan, Malgapo, Miessner, McConnell, and Verder-Aliga.](#)  
[NOES: None](#)  
[ABSENT: Director Dew-Costa and Sunga](#)  
[ABSTAIN: None](#)

**7. 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 step to the podium and state his/her name and address for the record. Pursuant to Vallejo Flood and Wastewater District Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to **three minutes**.*

**8. ADJOURNMENT – 7:12 PM**

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This is to certify that the foregoing is the true and correct meeting minutes as approved by the Board of Directors on July 9, 2019



District Manager  
Melissa Morton

July 9, 2019

**BOARD COMMUNICATION**

Administrative Item No. 6A

**TO: THE HONORABLE PRESIDENT AND BOARD OF DIRECTORS**

**FROM: MELISSA MORTON, DISTRICT MANAGER** *Melissa Morton*  
**MARY A. MORRIS-MAYORGA, FINANCE DIRECTOR AND 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 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 Vallejo Flood and Wastewater 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 COP’s; 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 Certificates 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
2019	\$2,515,000	\$132,000	\$2,647,000
2020	2,640,000		2,640,000
<b>Total Requirements</b>	<b>\$5,155,000</b>	<b>\$132,000</b>	<b>\$5,287,000</b>

During Fiscal Year 2014, the District negotiated the lump sum payoff and termination of a debt service reserve agreement with Lehman Brothers in connection with the 1993 Certificates of Participation. The agreement called for semi-annual payments in the amount of \$16,405 for the life of the debt issuance through July 2019 as a hedge against market value decline of the reserve

investments due to decreasing interest rates. The transaction resulted in a savings of approximately \$150K to the District and allowed the District to maintain ownership of the reserve investments that pay 8.1%. High yield earnings from the investments offset debt service of the 1993 Certificates of Participation. This investment is being liquidated for final payment of the bonds in accordance with bond covenants.

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

Mary A. Morris-Mayorga, Director of Finance and Treasurer, (707) 652-7802

**FINANCING CORPORATION  
RESOLUTION NUMBER 2019-**

**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, 2018.

**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 9<sup>th</sup> day of July, 2019 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**WITNESS** my hand and the Seal of said District this 9<sup>th</sup> day of July, 2019.

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**MJ BROWN**  
**Clerk of the Board**