



District Manager
Melissa Morton

**VALLEJO SANITATION AND
FLOOD CONTROL DISTRICT
FINANCING CORPORATION
REGULAR MEETING AGENDA**

**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

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 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.

6. **ADMINISTRATIVE ITEMS**

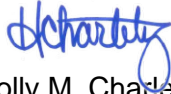
A. FINANCING CORPORATION ACTIVITY REPORT

PROPOSED ACTION

Adopt a resolution to accept the 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, Holly M. Charley, Clerk of the Board of Vallejo Flood and Wastewater District declare that the foregoing agenda for the March 13, 2018 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.



**REGULAR MEETING AGENDA
VALLEJO SANITATION AND FLOOD CONTROL DISTRICT
FINANCING CORPORATION
6:15 P.M. – CITY COUNCIL CHAMBERS
555 SANTA CLARA STREET, VALLEJO CA 94590
JANUARY 10, 2017**

Board of Directors
Bob Sampayan
Rozzana Verder-Aliga – Vice-President
Pippin Dew-Costa
Erin Hannigan
Jess Malgapo
Robert H. McConnell
Katy Miessner
Hermie Sunga

District Manager
Melissa Morton

1. **CALL TO ORDER** - The regular meeting of the Vallejo Sanitation and Flood Control District was called to order at 6:21 PM with President Sampayan presiding.
2. **PLEDGE OF ALLEGIANCE** – The pledge of allegiance was recited.
3. **ROLL CALL** - On roll call present were: President Sampayan; Directors Dew-Costa, Hannigan, Malgapo, McConnell, Miessner, Sunga, and Verder-Aliga.

Others present were; Melissa Morton, District Manager; Holly Charléty, District Clerk; Shalon Edmondson, Office Assistant; Chas Fadrigio, Accountant; Jennifer Harrington, Environmental Specialist; Johnson Ho, Director of Plant Operations and Maintenance; Mary Morris, Finance Director; Frank Silveira, Electrical Supervisor; Keith Sorsdal, Director of Safety and Risk Management; Ken Taylor, Field Operations Superintendent; Mark Tomko, District Engineer; Gretchen Watkins, Human Resources Administrator; and Gary Heppell, District Legal Counsel.

4. **COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC** - None

Members of the public wishing to address the Board on Consent Calendar Items are requested to submit a completed speaker card to the District Clerk. Each speaker is limited to three minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Directors. 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.

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

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

- A. APPROVAL OF THE MINUTES FROM THE SPECIAL MEETING OF FEBRUARY 9, 2016

PROPOSED ACTION

Approve the minutes from the special meeting of February 9, 2016

6. ADMINISTRATIVE ITEMS

A. FINANCING CORPORATION ACTIVITY REPORT

PROPOSED ACTION

Adopt a resolution to accept the VSFCD Financing Corporation Activity Report as submitted. [Resolution 2017-5797](#)

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

AYES: President Sampayan; Trustees Dew-Costa, Hannigan, Malgapo, Miessner, McConnell, Sunga, and Verder-Aliga.

NOES: None

ABSENT: None

ABSTAIN: None

7. ADJOURNMENT – 6:24 PM

This is to certify that the foregoing
is the true and correct meeting minutes
as approved by the Board of Directors
on March 13, 2018



District Manager
Melissa Morton

March 13, 2018

BOARD COMMUNICATION

Consent Item No. 5B

TO: THE HONORABLE PRESIDENT AND BOARD OF DIRECTORS

FROM: MELISSA MORTON, DISTRICT MANAGER *Melissa Morton*
HOLLY M. CHARLEY, DIRECTOR OF ADMINISTRATION/CLERK OF THE BOARD

SUBJECT: AUTHORIZATION TO TAKE ACTIONS NECESSARY TO CHANGE THE NAME OF THE CORPORATION

BACKGROUND AND DISCUSSION

On January 1, 2018 the Vallejo Sanitation and Flood Control District Enabling Act was revised, changing the name of the District to Vallejo Flood and Wastewater District (District). As the Vallejo Sanitation and Flood Control District Financing Corporation (Corporation) was formed to assist the District in issuing and administering municipal debt, the name of the Corporation should reflect the new name of the District.

In order to change the name of the Corporation, the Board of Directors needs to authorize the District Manager to amend the articles of incorporation and bylaws, and file the appropriate documents with the secretary of state to formally change the name to "Vallejo Flood and Wastewater District Financing Corporation."

RECOMMENDATION

Pass a resolution authorizing the District Manager to take the necessary steps to change the legal name of the Corporation.

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 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.

DOCUMENTS ATTACHED

A. Resolution

CONTACT PERSON

Holly M. Charléty, Director of Administration/Clerk of the Board, (707) 644-8949, Ext. 1102

**FINANCING CORPORATION
RESOLUTION NUMBER 2018-**

**A RESOLUTION AUTHORIZING THE DISTRICT MANAGER TO TAKE ALL ACTIONS
NECESSARY TO CHANGE THE NAME OF THE CORPORATION**

BE IT RESOLVED, by the Board of Directors of the Vallejo Sanitation and Flood Control District Financing Corporation of Solano County, California as follows:

WHEREAS, the Vallejo Sanitation and Flood Control District Financing Corporation (Corporation) was formed to assist the Vallejo Sanitation and Flood Control District with issuing and administering municipal debt;

WHEREAS, on January 1, 2018 Enabling Act 8934 was revised, changing the name of said District to the Vallejo Flood and Wastewater District (District); and

WHEREAS, in order to change the name of the Corporation, the Board of Directors shall approve a resolution to amendment to the Articles of Incorporation and Bylaws, and direct the District Manager to file the appropriate documentation with the Secretary of State to implement the use of the new name.

IT IS, THEREFORE, RESOLVED by the Board of Directors of the Vallejo Sanitation and Flood Control District Financing Corporation that the name of the corporation shall be change to “Vallejo Flood and Wastewater District Financing Corporation”;

BE IT FURTHER RESOLVED that the District Manager is authorized to revise the bylaws to reflect the new name; and file the “Certificate of Amendment” consisting of an officer’ certificate pursuant to Section 5814(a) of the California Corporation Code to amend the Articles of Incorporation; and

BE IT FURTHER RESOLVED that the District Manager is authorized to take any other steps necessary to implement the use of the new Corporation name.

ADOPTED by the Board of Directors of the Vallejo Sanitation and Flood Control District Financing Corporation on the 13th day of March, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said Corporation this 13th day of March, 2018.

**HOLLY M. CHARLETY
Clerk of the Board**



District Manager
Melissa Morton

March 13, 2018

BOARD COMMUNICATION

Administrative Item No. 6A

TO: THE HONORABLE PRESIDENT AND BOARD OF DIRECTORS

FROM: MELISSA MORTON, DISTRICT MANAGER *Melissa Morton*
MARY A. MORRIS, FINANCE DIRECTOR AND TREASURER

SUBJECT: FINANCING CORPORATION ACTIVITY REPORT

BACKGROUND AND DISCUSSION

The Vallejo Sanitation and Flood Control District Financing Corporation (VSFCDFC) 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 Sanitation and Flood Control 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 VSFCDFC 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). No new debt is known or anticipated; however, this is dependent upon future capital financing needs and may change at some point in the future.

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
2018	\$ 2,395,000	\$ 257,750	\$ 2,652,750
2019	2,515,000	132,000	2,647,000
2020	2,640,000		2,640,000
Total Requirements	\$ 7,550,000	\$ 389,750	\$ 7,939,750

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.

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 VSFCD Financing Corporation Activity Report as submitted.

DOCUMENTS ATTACHED

- A. Resolution

CONTACT PERSON

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

**FINANCING CORPORATION
RESOLUTION NUMBER 2018-**

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

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

WHEREAS, the VSFCD 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, 2017.

IT IS, THEREFORE, RESOLVED, by the Board of Directors of the Vallejo Sanitation and Flood Control 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 13th day of March, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 13th day of March, 2018.

**HOLLY M. CHARLETY
Clerk of the Board**