

# Minutes

Sacramento Suburban Water District  
**Financing Corporation Special Board Meeting**  
Monday, July 26, 2010

## Call to Order

Director Fellenz called the meeting to order at 6:00 p.m.

## Roll Call

Directors Present: Ken Decio, Thomas Fellenz, Frederick Gayle, Stephen Hanson and Neil Schild.

Directors Absent: None.

Staff Present: President Robert Roscoe, Dan Bills, Ed Formosa, Jan Gentry, Dave Jones, Warren Jung, John Valdes, Dan York.

Public Present: William Eubanks and Linda Gonzalez.

## Public Comment

None.

## Items for Discussion and Action

1. **Minutes of the January 25, 2010 Meeting**  
MSC<sup>1</sup> (Schild/Hanson) that the Board of Directors approve the minutes of the January 25, 2010 SSWD Financing Corporation regular Board meeting, by unanimous vote.
2. **Resolution No. FC-10-01 Approving the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection with the Substitution of Allied Irish Banks, P.L.C. as Credit Facility Provider**  
Dan Bills presented the staff report. In the June 2010, meeting of the Board of Directors (Board), the Sacramento Suburban Water District (District) Board directed staff to execute a Letter of Credit (LOC) Substitution Agreement on its Series 2008A-2 COPs by replacing Allied Irish Bank with Lloyds TSB Bank plc. (Lloyd's).

Lloyd's is requesting a formal resolution rather than a minute order for board approval. There are no changes to the terms that were presented and to and approved by the District Board. The resolution authorizes the Financing Corporation President and Secretary to execute the documents, which are substantially in final form.

The LOC term is for three years. The District may opt out at any time with an early termination payment if the LOC is cancelled by the District in the first year. If Lloyd's credit rating drops, there is no early termination penalty for the District to complete a substitution LOC. The issuance cost of this transaction is about \$175,000.

---

<sup>1</sup>Motion, Second, Carried.

MSC (Schild/Decio) that the Board of Directors adopt Resolution No. FC-10-01 Approving the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection with the Substitution of Allied Irish Banks, P.L.C. as Credit Facility Provider, by unanimous vote.

**Director's Comments/Staff Statements and Requests**

None.

**Adjournment**

Director Fellenz adjourned the meeting at 6:05 p.m.

---

Janet L. Gentry  
Secretary, Sacramento Suburban Water District  
Financing Corporation