Minutes

Sacramento Suburban Water District
Financing Corporation Board Meeting
Wednesday, October 6, 2004

Call to Order
President Williams called the meeting to order at 6:32 p.m.

Roll Call

Directors Present:	Ronald Bachman, Byron Buck, Steven Eggert, David Githens, William Porter, Joseph Sullivan and James Williams.
Directors Absent:	None.
Staff Present:	Corporation President Robert Roscoe, Dan Bills, Ed Formosa, Jan Gentry, Warren Jung, John Valdes and Legal Counsel Joshua Horowitz.

Public Comment
None.

Items for Discussion and Action

1. **Minutes of the August 16, 2004 Arcade Water District Financing Corporation Board Meeting**
   Mr. Bills stated that the amended Articles of Incorporation were filed with the Secretary of State. The Arcade Water District Financing Corporation is now officially recognized as the Sacramento Suburban Water District (SSWD) Financing Corporation.

   MSC[1] (Bachman/Buck) that the Board of Directors approve the minutes of the August 16, 2004 Arcade Water District Financing Corporation Board Meeting, by unanimous vote.

2. **Resolution No. FC-04-01 Authorizing the Execution and Delivery of Not to Exceed $50,000,000 Adjustable Rate Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection Therewith**
   Mr. Bills presented the staff report. Pursuant to the District's needs to fund certain capital projects that will benefit rate payers ratably over a long period of time, the SSWD District Board approved securing financing for certain projects that were necessary immediately and bore significant upfront costs. Staff proposed a financing plan that will allow the Corporation to act

[1]Motion, Second, Carried.

appropriately in its facilitatory capacity to assist SSWD in achieving their financing.

Doug Brown, Stradling Yocca Carlson & Rauth reviewed Resolution FC-04-01 and its attachments (four agreements).

David Houston, Citigroup, was present to answer questions.

Corporation President Roscoe noted there are fees charged by the trustee for their services.

Director Bachman was concerned that the Financing Corporation Board President is significantly involved in this process including the signing of documents. He also does not approve of the amount rising from $30 to $50 million. He has concerns with several documents. He does not believe the documents are easy to understand. He stated the documents may not hold up in court.

MSC (Buck/Eggert) that the Board approve Resolution No. FC-04-01 Authorizing the Execution and Delivery of Not to Exceed $50,000,000 Adjustable Rate Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection Therewith, by 6/1 vote (Bachman opposed).

3. **Set Next Meeting Date**

Staff proposed the next meeting be the January [February] annual meeting one half hour [one hour] prior to the Regular SSWD Board meeting as set forth in the Corporation Bylaws.

MSC (Buck/Bachman) that the Board set the next meeting as the annual meeting held in accordance with the Corporation Bylaws, by unanimous vote.

Adjournment

President Williams adjourned the meeting at 6:40 p.m.

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