



Minutes of the Special Meeting of
the Board of Directors of the Rowland Water District

October 30, 2012 – 5:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

President Anthony J. Lima
Vice President Szu Pei Lu-Yang
Director Robert W. Lewis
Director John Bellah
Director Teresa P. Rios

ABSENT:

None.

OTHERS PRESENT:

Janet Morningstar, Legal Counsel
Michael Engelbrecht, Wells Fargo Securities
Jeff Stava, Attorney, Nossaman, LLP
Michael Busch, Urban Futures

ROWLAND WATER DISTRICT STAFF:

Ken Deck, General Manager
Ted Carrera, Assistant General Manager
Rose Perea, Director of Administrative Services
Sean Henry, Finance Officer

PUBLIC COMMENT ON AGENDA ITEMS

COMMENTS:

None.

Tab 1 ACTION ITEMS

1.1

Presentations by Michael Engelbrecht, Wells Fargo Securities, Jeff Stava, Attorney, Nossaman, LLP, and Michael Busch, Urban Futures

Michael Engelbrecht, Wells Fargo Securities, presented a Power Point presentation to the Board which provided a financing update. In connection with the rating update, Mr. Englebrecht advised that Standard & Poor's had assigned Rowland a AA- rating with a stable outlook and affirmed the AA- rating on the 2008 Certificates of Participation. He also presented a long-term market update and reviewed the financing schedule with an anticipated closing on November 28, 2012.

Michael Busch, Urban Futures, advised that purchasing trend is towards municipal bonds as opposed to government bonds. He feels that volatility is no longer an issue and sees no other issues which would impede the sale of the bonds.

Jeff Stava, Attorney, Nossaman, LLP, discussed the terms of the Bond Purchase Agreement, Continuing Disclosure Agreement, Installment Purchase Contract and Preliminary Official Statement and answered questions from the Board. He explained that the Resolution constituted the Board's approval of the specified documents and would authorize the District's representatives to proceed with the sale of the Bonds and the related transactions provided that the criteria specified in the Resolution as to interest rate and the principle amount of the Bonds were met on the pricing date. He recommended that the District finalize the transaction. He noted that the Resolution provided that the maximum aggregate principal amount of the bonds shall not exceed \$22,000,000.00 and that the true interest cost shall not exceed five percent (5%).

1.2

Review and Approve Resolution No. 10.1-2012 Authoring Proceedings and Agreements Relating to the Financing of Certain Improvements, Approving Issuance and Sale of Bonds by the Puente Basin Water Agency, Approving an Official Statement, and Authorizing Official Actions

Mr. Stava, Mr. Engelbrecht and Mr. Busch answered questions raised by Board members and provided information and clarification on the transaction and the Resolution before the Board for approval.

After discussion by the Board, a motion was made by Vice President Lu-Yang, seconded by Director Rios, and unanimously carried, to approve Resolution No. 10.1-2012 Authoring Proceedings and Agreements Relating to the Financing of Certain Improvements, Approving Issuance and Sale of Bonds by the Puente Basin Water Agency, Approving an Official Statement, and Authorizing Official Actions.

Roll call vote:

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes: None
Abstain: None

The motion was unanimously carried by a roll call vote of 5-0.

Directors' and General Manager's Comments

None.

Future Agenda Items

None.

Late Business

None.

Next Regular Meeting of the Board of Directors: November 13, 2012

Next Special Meeting of the Board of Directors: November 27, 2012

A motion was made by Director Rios, seconded by Vice President Lu-Yang, and unanimously carried to adjourn the meeting. The meeting was adjourned at 6:10 p.m.

ANTHONY J. LIMA
Board President

Attest: _____
KEN DECK
Board Secretary