

MINUTES

of a regular meeting of the Governing Board of the Redlands Financing Authority of the City of Redlands held in the City Council Chambers, Civic Center, 35 Cajon Street, at 3:17 P.M. on September 21, 2010.

PRESENT

Pat Gilbreath, Chairman
Jerry Bean, Vice Chairman
Jon Harrison, Member
Mick Gallagher, Member
Pete Aguilar, Member

ABSENT

None

STAFF

N. Enrique Martinez, Executive Director; Daniel J. McHugh, Attorney; Tina Kundig, Controller/Treasurer; and Sam Irwin, Secretary

CONSENT CALENDAR

The minutes of the regular meeting of January 19, 2010 and the special meeting of September 7, 2010, were unanimously approved as submitted on motion of Mr. Bean, seconded by Mr. Gallagher.

NEW BUSINESS

Legal Counsel Agreements - On motion of Mr. Harrison, seconded by Mr. Gallagher, the Board unanimously approved authorization to enter into an agreement with Best, Best & Krieger LLP for Bond Counsel and Disclosure Counsel Services, and an agreement with Stone Youngberg for Underwriting Services. The board further directed staff to proceed with coordinating with these consultants for the possible refinancing of the Authority's Series 1999 Water and Wastewater Revenue Refunding Bonds.

Bond Sale - The Board discussed a proposal to authorize the issuance, sale and delivery of not to exceed \$11,000,000 (eleven million dollars) Water Revenue Refunding Bonds, Series 2010A; and the execution and delivery of a Trust Agreement, a Water Installment Sale Agreement, an Official Statement, an Escrow Deposit and Trust Agreement, an Agency Agreement, and a Bond Purchase Agreement and certain other actions in connection with issuance sale of such bonds; and to authorize the issuance, sale and delivery of not to exceed \$8,000,000 (eight million dollars) Wastewater Revenue Refunding Bonds, Series 2010A; and the execution and delivery of a Trust Agreement, a Water Installment Sale Agreement, an Official Statement, an Escrow Deposit and Trust Agreement, an Agency Agreement, and a Bond Purchase Agreement and certain other actions in connection with issuance sale of such bonds. On motion of Mr. Harrison, seconded by Mr. Gallagher, the Board unanimously agreed to continue discussion on this proposal to an October 5, 2010 meeting citing the need to examine the relationship of the refinancing and a proposed water and wastewater rate increase. Staff was also directed to

look at the option of not using any of the savings resulting from the refinancing to fund capital improvements. Guidance on the alternative use of those savings will be provided by the City Council at the October 5, 2010 meeting.

PUBLIC COMMENTS

None forthcoming.

ADJOURNMENT

Pending further business on the continued bond sale discussion, the Governing Board's meeting of the Redlands Financing Authority adjourned at 4:33 P.M. This regular meeting will reconvene on October 5, 2010.



Secretary