

## MINUTES

### GARDEN GROVE PUBLIC FINANCE AUTHORITY

A special meeting of the Garden Grove Public Finance Authority was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, April 13, 2004, at 7:12 p.m.

ROLL CALL: PRESENT: (5) CHAIRMAN BROADWATER, MEMBERS DALTON, LEYES, ROSEN, TRAN

ABSENT: (0) NONE

ALSO PRESENT: Executive Director, Matthew Fertal; Assistant Director, Les Jones; Community Development Director, Susan Emery; Finance Officer, Kingsley Okereke; Legal Counsel, John Shaw; and Secretary, Ruth Smith.

#### ORAL COMMUNICATIONS – PUBLIC

There were no oral communications from the public relevant to the Public Finance Authority.

#### RECESS

At 7:40 p.m., the Chairman declared a recess.

#### RECONVENE

At 8:40 p.m., the meeting was reconvened with Chairman Broadwater and all Members in attendance.

Also called into session at this time was the Garden Grove City Council for consideration concurrently of the following item.

RESOLUTION APPROVING AN INSTALLMENT PURCHASE AGREEMENT WITH THE CITY OF GARDEN GROVE, AND CERTAIN OTHER DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$19 MILLION DOLLARS (F: A-34.9) (XR: 60.1) (XR: P-60.1)

Staff report dated April 13, 2004, was introduced, and staff reviewed the salient points of this transaction.

Based on the current interest rate environment significant savings will be obtained from this refunding. The bond refunding analysis prepared by the City's financial advisor shows that the 1993 Water Revenue bonds would be refinanced over the same maturity period ending in 2023 at a lower interest rate ranging from 1.05% to 4.35%. The refinancing would result in average annual debt service savings of about \$125,000.00, which represents a net present value savings of approximately \$1.685 million and about 10.5% of the refunded principal.

The estimated total cost of completing the refunding is about \$175,000.00, which would go to compensate the various financing team members, including the Financial Advisor, Bond Counsel, Disclosure Counsel, Underwriter, and Verification agent. The bond closing will take place on May 13, 2004, in San Francisco.

Staff introduced members of the financing team, being: Kurt Yeager, Bond Counsel; Bill Reynolds, Financial Advisor; and Terry Maas, Investment Banker.

PUBLIC FINIANCE AUTHORITY RESOLUTION NO 7

It was moved by Member Leyes, seconded by Member Dalton, and carried by unanimous vote, that full reading of Resolution No. 7 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE PUBLIC FINANCING AUTHORITY APPROVING AN INSTALLMENT PURCHASE AGREEMENT WITH THE CITY OF GARDEN GROVE AND CERTAIN OTHER DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$19,000,000, be and hereby is adopted.

CITY COUNCIL RESOLUTION NO. 8551-04

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8551-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE AND DELIVERY OF NOT TO EXCEED \$19,000,000 REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004, AND AUTHORIZING CERTAIN DOCUMENTS AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH, be and hereby is adopted.

CITY COUNCIL RECESSED

MINUTES (F: Vault)

It was moved by Member Dalton, seconded by Member Leyes, and carried by unanimous vote, that the Minutes of the Special Meeting of the Public Finance Authority held August 12, 2003, be and hereby are approved.

ADJOURNMENT

At 8:46 p.m., it was moved by Member Dalton, seconded by Member Rosen, and carried by unanimous vote, that the meeting be adjourned.

RUTH E. SMITH  
SECRETARY