

MINUTES
JOINT CITY COUNCIL / IMPROVEMENT AGENCY / FINANCING AUTHORITY MEETING
MONDAY, JUNE 20, 2011

CALL TO ORDER Mayor Pro Tem/Vice Chair Nicolls called the meeting to order at 7:28 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

ROLL CALL

Council / Agency / Authority: Council/Board Members Bright, Molnar, Peterson and Mayor Pro Tem/Vice Chair Nicolls. Mayor/Chair Shoals was absent.

City / Agency / Authority Staff: City Manager/Executive Director Perrault, City Attorney/General Counsel Koczanowicz, City Clerk/Agency Secretary McMahon, Acting Administrative Services Director/Acting Finance Officer Byrd, Community Development Director/Deputy Director Buckingham, Public Works Director/City Engineer Ray, and Police Chief Copsey were also present.

Also present were Financial Advisor Albert Peché, A.M. Peché & Associates LLC; Bond and Disclosure Counsel Jeff Stava, Nossaman LLP; and Underwriter Todd Smith, Southwest Securities, Inc.

PUBLIC COMMUNICATIONS The Mayor Pro Tem/Vice Chair opened the floor to any member of the public for comment on items of interest which were within the jurisdiction of the Council / Agency / Authority, but were not listed on the agenda. No public comments were received.

JOINT CITY COUNCIL / IMPROVEMENT AGENCY – CONSENT AGENDA

CC/IA-1. Minutes of the Joint City Council / Improvement Agency Meeting of May 16, 2011.

Council/Board Member Peterson commented that she thought Executive Director Jerry Rioux of the San Luis Obispo Housing Trust Fund had spoken briefly at the May 16th Joint City Council / Improvement Agency meeting in favor of the proposed sale of City-owned property for an affordable housing project.

Brief discussion was held regarding amending the meeting minutes.

Action: Upon consensus (Mayor/Chair Shoals absent), the minutes were approved as amended.

(Note: It was subsequently confirmed that Mr. Rioux had not spoken at the meeting of May 16, 2011, but had spoken at the Joint City Council / Improvement Agency meeting of June 6, 2011 regarding the proposed sale of City-owned property. The Council/Board Members were notified and the Joint City Council / Improvement Agency meeting minutes of May 16, 2011 were not amended.)

JOINT CITY COUNCIL / IMPROVEMENT AGENCY / FINANCING AUTHORITY - BUSINESS

CC/IA/FA-1. Adoption of Resolutions by the Council, Agency, and Financing Authority Necessary for the Issuance of Tax Allocation Bonds Series 2011A and 2011B.

Mayor Pro Tem/Vice Chair Nicolls read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager/Executive Director Perrault provided an overview of the two project areas that produce tax increment revenue to fund economic development efforts within those project areas, as well as loans authorized by the Council for initial operation of both project areas and to fund the Meadow Creek/West Grand Avenue Storm Drain Project. He then described recent actions by the State to eliminate or significantly restrict the ability of redevelopment agencies to operate in the future.

In response, the Council/Agency Board authorized the retention of a fiscal consultant to analyze the Agency's revenues, expenditures, and obligations. That analysis was completed by Don Fraser of Fraser & Associates and presented to the Council/Agency Board in May 2011. The Council/Agency Board authorized proceeding with the process to issue bonds and retain the services of a financing team to complete the bond process. City Manager/Executive Director Perrault then described the process to issue two separate Tax Allocation Bonds for each project area, and introduced members of the financing team: Financial Consultant Albert Peché, A.M. Peché & Associates LLC; Bond and Disclosure Counsel Jeff Stava, Nossaman LLP; and Underwriter Todd Smith, Southwest Securities, Inc.

Mr. Peché described the financial aspects of the bond process and repayment schedule. Mr. Stava described the legal aspects of the bond process. Mr. Smith described potential municipal bond investors. It was noted that, due to pending actions by the State, the bond process would proceed on an expedited schedule.

The financing team and staff responded to questions from members of the Council / Agency / Authority.

The Mayor Pro Tem / Vice Chair invited public comments on this matter. No public comments were received.

Actions - Improvement Agency:

It was m/s by Board Members Peterson/Molnar to adopt Resolution No. IA-11-06. The motion carried on the following roll call vote:

AYES: Board Members Bright, Molnar, Peterson, and Vice Chair Nicolls.
NOES: Board Members - None.
ABSENT: Chair Shoals.
ABSTAIN: Board Members - None.

Resolution No. IA-11-06: A Resolution of the Grover Beach Improvement Agency Approving an Indenture of Trust, a Continuing Disclosure Agreement, a Purchase Contract, Escrow Instructions and an Official Statement; Making Certain Determinations Relating Thereto; and Authorizing Certain Other Actions in Connection with the Issuance of the Agency's Grover Beach Improvement Project, Tax Allocation Bonds, Series 2011A.

It was m/s by Board Members Peterson/Bright to adopt Resolution No. IA-11-07. The motion carried on the following roll call vote:

AYES: Board Members Bright, Molnar, Peterson, and Vice Chair Nicolls.
NOES: Board Members - None.
ABSENT: Chair Shoals.
ABSTAIN: Board Members - None.

Resolution No. IA-11-07: A Resolution of the Grover Beach Improvement Agency Approving an Indenture of Trust, a Continuing Disclosure Agreement, a Purchase Contract and an Official Statement; Making Certain Determinations Relating Thereto; and Authorizing Certain Other Actions in Connection with the Issuance of the Agency's Industrial Enhancement Project Area, Tax Allocation Bonds, Series 2011B.

Actions - City Council:

It was m/s by Council Members Molnar/Bright to adopt Resolution No. 11-40. The motion carried on the following roll call vote:

AYES: Council Members Bright, Molnar, Peterson, and
Mayor Pro Tem Nicolls.
NOES: Council Members - None.
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

Resolution No. 11-40: A Resolution of the City Council of the City of Grover Beach, California, Approving the Financing and Refinancing of the Grover Beach Improvement Project by the Grover Beach Improvement Agency.

It was m/s by Council Members Molnar/Peterson to adopt Resolution No. 11-41. The motion carried on the following roll call vote:

AYES: Council Members Bright, Molnar, Peterson, and
Mayor Pro Tem Nicolls.
NOES: Council Members - None.
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

Resolution No. 11-41: A Resolution of the City Council of the City of Grover Beach, California, Approving the Financing and Refinancing of the Industrial Enhancement Project Area by the Grover Beach Improvement Agency.

Actions - Financing Authority:

It was m/s by Board Members Bright/Peterson to adopt Resolution No. FA-11-02. The motion carried on the following roll call vote:

AYES: Board Members Bright, Molnar, Peterson, and Vice Chair Nicolls.
NOES: Board Members - None.
ABSENT: Chair Shoals.
ABSTAIN: Board Members - None.

Resolution No. FA-11-02: A Resolution of the Governing Board of the Grover Beach Financing Authority Authorizing and Directing the Execution of a Purchase Contract and Directing Certain Related Actions in Connection Therewith.

It was m/s by Board Members Bright/Molnar to adopt Resolution No. FA-11-03. The motion carried on the following roll call vote:

AYES: Board Members Bright, Molnar, Peterson, and Vice Chair Nicolls.
NOES: Board Members - None.
ABSENT: Chair Shoals.
ABSTAIN: Board Members - None.

Resolution No. FA-11-03: A Resolution of the Governing Board of the Grover Beach Financing Authority Authorizing and Directing the Execution of a Purchase Contract and Directing Certain Related Actions in Connection Therewith.

ADJOURNMENT

There being no further business to come before the City Council / Improvement Agency / Financing Authority, Mayor Pro Tem / Vice Chair Nicolls adjourned the meeting at 8:17 p.m.

City Council:

/s/ WILLIAM L. NICOLLS, MAYOR PRO TEM

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 07/18/11)

Improvement Agency:

/s/ WILLIAM L. NICOLLS, VICE CHAIR

Attest: /s/ DONNA L. McMAHON, AGENCY SECRETARY
(Approved at CC/IA Mtg 07/18/11)

Financing Authority:

/s/ WILLIAM L. NICOLLS, VICE CHAIR

Attest: /s/ DONNA L. McMAHON, CITY CLERK
(Approved at Joint CC/FA Mtg 12/07/15)