



AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION

MEETING AGENDA

Location: San Bernardino County Government Center
385 N. Arrowhead Avenue, 5th Floor – Citrus Room
San Bernardino, California

Date/Time: Thursday, January 16, 2014, 4:00 p.m.

1. Call to Order (Chair Gonzales)
2. Action Item:
Approval of Minutes from June 5, 2013; and July 31, 2013 (Chair Gonzales)
3. Bond Refinancing Update Report of the “Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003.” (Presenters: Jeffrey O. Rigney, Director, Special Districts Department, County of San Bernardino; Scott Smith, Financial Advisor, CSG Advisors)
4. Action Item:
Consider approval of: (a) Bond refinancing; (b) providing direction to staff to present documents in substantially final form for the refinancing at a scheduled meeting; and (c) Request to Redeem Bonds
5. Action Item:
Approval of Resolution 2014-01 Amending Regular Meeting Dates
6. Public Comment
7. Adjournment

ITEM 2



SPECIAL MEETING OF THE EXECUTIVE COMMITTEE

MEETING: Agua Mansa Industrial Growth Association

LOCATION: San Bernardino County Government Center
385 N. Arrowhead Avenue, 5th Floor, Citrus Room
San Bernardino, California

DATE/TIME: June 5, 2013, 4:00 p.m.

MEMBERS PRESENT: Chair Gonzales, 5th District Supervisor, County of San Bernardino; Vice Chair Gardner, Councilmember, City of Riverside; Mayor Robertson, City of Rialto; and Mayor Pro Tem David Toro, City of Colton

OTHERS PRESENT: Marcus Fuller, City of Rialto; Michele Aguirre, City of Rialto; Donna Segura, David Taussig & Associates; Scot Smith, CSG Advisors, Inc.; Jim Anderson, McFarlin & Anderson; Dough Moore, 5th District, Board of Supervisors; Michelle Blakemore, County Counsel; Dawn Messer, County Counsel; Bob Page, County Administrative Office; Jeff Rigney, Special Districts, Michael Wildes, Special Districts; Gail Joe, Special Districts

1. The meeting was called to order by Chair Gonzales at 4:05 p.m.

2. Approval of Minutes of the June 14, 2012 Meeting

Motion made by Vice-Chair Gardner to approve the minutes of June 14, 2012. Chair Gonzales asked Counsel if it was appropriate for the committee members who were not present at the June 14, 2012 meeting to vote on them. Counsel stated that it would be appropriate for a second to the motion, as well as a vote. Chair Gonzales seconded the motion. Hearing no opposition, the item was unanimously approved.

3. Approval of the SB 165 Annual Report for 2012

Donna Segura from Taussig & Associates presented a summary of the SB 165 2012 Annual Report prepared by David Taussig & Associates, which was prepared to comply with the local agency special tax and bond accountability act. The main purpose of the report is to show how funds have been collected and expended through the various accounts for Community Facilities District 2002-1 and to explain how construction funds have been expended.

Committee Member Robertson asked if all of the projects have been completed and if they had, what the funds in the construction account are being held for. Ms. Segura, stated that the \$172,777.99 remaining in the construction fund had been set aside for future costs for easements as relating to a sewer line and deferred the questions to Jim Anderson, Bond Counsel on the CFD debt issuance. Mr. Anderson stated that historically the money was held because of sewer and drainage issues and that the funds may be needed as build out is completed. Director Rigney stated that the project had been completed and because all of the properties were not developed, the funds were being held to address any unknown problems that may arise as development occurs.

Committee Member Robertson mentioned that she was unable to locate current and past agendas and minutes AMIGA meetings. She was also trying to locate a map from when the JPA was formed in 1985. Gail Joe stated that the meeting was posted with the Clerk of the Board and all of the past minutes that were available had been forwarded to City of Rialto. Michele Aguirre from the City of Rialto stated that she had received the file with the minutes.

Members discussed the map in the back of the meeting booklet Chair Gonzales explained that all of the properties are in the unincorporated area and that the area is within the sphere of influence of the cities. The difference between the AMIGA Enterprise Zone and the Community Facilities District is the Enterprise Zone is a larger area and includes the cities. The Community Facilities District was formed after the Enterprise Zone as developers asked for assistance in developing the area. The areas which are adjacent to the cities also may one day be annexed by the cities, which would bring tax dollars to the cities. Chair Gonzales welcomes the cities ideas.

Chair Gonzales stated that this issue needs to be addressed so that in the future it is understood why the money in the construction fund is being held and what it is designated for. The pre-designated use for these funds needs to be included in a staff report to be presented at the next meeting.

Motion to approve made by Vice-Chair Gardner, seconded by Committee Member Robertson. Hearing no opposition, the item was unanimously approved.

4. **Approve Resolution of the Executive Committee of the Agua Mansa Industrial Growth Association for Determining and Levying the Special Tax in Community Facilities District No. 2002-1 for Fiscal Year 2013-2014 which is in the amount of \$661,553.**

Director Rigney stated this resolution is for the CFD 2002-1 levy of the tax to be placed on the Tax Rolls 2013-14 for CFD 2002-1. The total levy for fiscal year 2013-14 is \$661,553. As a breakout of the levy, there are 24 parcels in the County of Riverside and the levy for those parcels is \$332,265.20, there are 10 parcels in the County of San Bernardino and the levy for those parcels is \$329,287.80. The total 2013-14 Authorized Maximum Special Tax is \$976,127.52, however, only the \$661,553 is required for 2013-14. Committee Member Robertson asked for confirmation that the levy is on all unincorporated parcels to finance the project. Director Rigney confirmed that the parcels were all in the unincorporated area and that the parcels all pay a proportionate share for the special tax.

Vice-Chair Gardner moved for adoption of Resolution 2012-01; seconded by Committee Member Robertson. Hearing no opposition the item was unanimously approved.

5. Resolution Setting Dates for Regular AMIGA meetings for 2013-14

Counsel Blakemore stated that since refinancing of the bonds is being sought, regular meetings are being calendared to meet legal requirements related to refinancing transactions. The meeting dates listed are tentative dates and may be cancelled if there are no agenda items. Scott Smith, of CSG Advisors, Inc., stated that it is anticipated that only one of the dates will be needed to bring the refinancing of the AMIGA bonds before the Board for approval. Chair Gonzales asked Counsel if posting of a notice of cancellation is required if the meeting is cancelled and Counsel stated that a cancellation notice must be posted.

Motion made by Committee Member Toro, seconded by Vice-Chair Gardner. Hearing no opposition, the item was unanimously approved.

6. Proposal to Refinance Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003

Chair Gonzales asked Scott Smith, Vice-President of CSG Advisors, Inc., and Financial Advisor to Special Districts Department for Community Facilities District Special Taxes, to present the item.

Page 2 of the report is a Municipal Market Data AAA Composite Scale from January 1, 2008 to May 20, 2013, and it showed a sharp decline in interest rates since 2011. There was a 40% drop in 30-year AAA MMD notes and a 3% to 2% drop in 10-year notes. This is industrial-oriented property and consists of 194 taxable acres of which 149 are developed, 22 are developing and 23 are undeveloped.

Taxpayer concentration is very high, representing 73% of the annual levy for Fiscal Year 2012-13 and there are no delinquencies as of the date of the last report. Fiscal Year 2013-14 levy is approximately 68% of the maximum tax rate, which is excellent coverage in the event of delinquencies. The Fiscal Year 2012-13 assessed value of taxable property of \$149.75 million to Refunding Par of \$10.22 million, the Value-to-Lien Ratio of 14.65 to 1 is outstanding. Director Rigney stated that the County's Debt Policy is a Value-to-Lien Ratio of 4 to 1.

Mr. Smith stated bellwether tells if the Value-to-Lien Ratio percentage is high, property owners are very motivated to pay the taxes due on the property. Investors look at this very favorably. The chart on page 4 summarizes an estimated annual debt service comparison. This information is as of last week's numbers with 5 – 10 base points and the market has changed some, not to our benefit. The borrowing rate would be reduced from 6.49% to 4.65% and would have a net savings, in today's dollars of approximately \$1.25 million or 13.45% of refunded par. Refinancing is usually done on issues of no less than 3% net savings of refunded par.

Page 5 shows the estimated sources and uses of funds with \$10,215,000 of new bonds being issued to pay off the old bonds, with the reserve fund of \$1,075,000 for a total of \$11,290,000 available.

The redemption of the bonds being \$10,036,000; the bond reserve would be lowered to \$953,000; the cost of issuance being a conservative estimate, meaning that it is a high estimate, of \$179,000; and the Underwriter's cost of \$122,000. The total estimated use of the funds being \$11,290,000.

Page 6 is an estimated timeline. All dates are subject to change and are based on bonds closing in December 2013. The bond closing must be within 90 days of the March or September interest payment dates.

Director Rigney asked Mr. Smith if, in his opinion, it was a good idea to go forward with the refinancing and Mr. Smith stated that with savings of this magnitude, refinancing would capture savings for the property owners.

Vice-Chair Gardner believes that the savings are a good thing and that he would move to proceed. A second was not received and staff was asked to bring this item back at a special meeting in July.

7. Approval of Bond Counsel, Disclosure Counsel, Financial Advisor and Underwriter for proposed refinancing of "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds"

There was discussion with respect to the item being confusing as to the action being requested of the Committee.

Counsel stated that this item is asking for the committee to direct staff to proceed with the refinancing of the bonds. Interest rates are low and it would be a cost savings to refinance. In an attempt to be more efficient, it was the intent of staff to piggyback on the request for proposals that the County was doing for the other Community Facilities Districts and that AMIGA would use the same firms selected by the County, if it is the same type of financing and required the same services, bond counsel, disclosure counsel, financial advisor and underwriter. An underwriter was selected and AMIGA was included on the RFP for the underwriter. Stifel, Nicolaus & Company was selected as the underwriter for the County transactions and was being recommended for the

AMIGA refinancing. It was also suggested to keep Jim Anderson of McFarlin and Anderson on as Bond Counsel as he has been involved with AMIGA and knows the history and is aware of any idiosyncrasies in the district.

Chair Gonzales asked if staff had sought permission to utilize the County RFP's to seek the necessary services. Counsel stated that staff did not contact anyone and this was an oversight.

Committee Member Robertson stated that she feels staff is doing what is easiest for them. She believes in getting proposals from companies in the community and the members should know who has submitted proposals and why a firm was being recommended. She was personally asked by proposers at SANBAG why their proposal was not chosen. This does not allow for transparency in government and while refinancing to get a lower rate is a good idea, the committee needs to see the proposals submitted and to approve the choices.

Chair Gonzales commented that the agenda item is not clear in what is being asked and when members of this committee and current staff are no longer here, it needs to be clear as to what was done and why it was done. Even if the financing is the same as the other County CFD refinancing. RFP's for AMIGA need to be released; she does not want them piggybacked on the County's RFPs. The proposals should be brought before the committee for approval of the selected firms.

Committee Member Robertson and Chair Gonzales asked if there were time constraints.

Counsel stated that there were some time constraints. Scott Smith stated that the bond closure must be completed 90 days before the payment date. Payment dates are in March and September. Counsel said it should not be a problem for these types of firms to respond within two weeks and that they could come back before the Board with the proposals in July.

Committee Member Robertson stated that she would like staff to solicit other firms for bond counsel and with that direction made a motion. Vice-Chair Gardner seconded the motion. Chair Gonzales stated the motion is so ordered.

Doug Moore asked for clarification on the direction, is the Request for Proposal to be only for Bond Counsel or for all counsel. Chair Gonzales stated it is for all services (which would include the legal services, financial advisory services and underwriter services). Director Rigney stated that Items No. 6 and No. 7 would be brought back before the committee.

8. City of Rialto Presentation of Traffic Issues and Possible AMIGA participation

Committee Member Robertson presented the item and stated that the City of Rialto had been working eight months on the project entitled "Agua Mansa Industrial Corridor" with other entities, including SANBAG and County departments, while recognizing the elimination of RDA funding. The City of Jurupa Valley, which did not exist at the formation of the JPA, is in the boundaries of the Enterprise Zone and they should be included in the AMIGA meetings.

Marcus Fuller, Director of Public Works of the City of Rialto, was introduced to make the presentation. The City of Rialto submitted a grant for funding to study the Agua Mansa Industrial Corridor area. The presentation included transportation issues in the Agua Mansa Industrial Corridor area and how growth will impact mobility, access, safety, and environmental health for all modes of transportation, and identify how land use decisions made individually by each jurisdiction may be coordinated to preserve and improve the transportation system. The project is a public and private partnership as developers have donated funds toward the study.

Committee Member Robertson stated there is a divided approach and a collaborative approach has been initiated. The AMIGA JPA could be used to accommodate and review development and avoid one jurisdiction against another on the impacts of SCAG applications. The goal is to update the committee and ensure that Measure I and Measure A plans are coordinated in a way that will make a difference in the communities and to what happens to mitigation fund money. She suggested the Committee consider including the City of Jurupa Valley and Fontana in the JPA and that the JPA act on behalf of SANBAG to coordinate and to determine where money is to be spent from mitigation fees, and expand the boundary of AMIGA as developments continue to occur. AMIGA could utilize its legal powers more locally and implement fees for development.

She understands that this meeting is mainly about the Community Facilities District 2001-1 and that the boundaries of the Community Facilities District only encompass an unincorporated area of the Enterprise Zone. The AMIGA JPA may be a useful tool to handle cross jurisdictions and the ongoing development of land impacts. Individual CEQA decisions affect other entities.

There are many development and mitigation issues and they have been working with Mayor Loveridge at the City of Riverside on these issues.

Vice-Chair Gardner thanked Rialto for the presentation and said he felt it was important for jurisdictions to work together, and they may want to add the cities of Fontana and Jurupa Valley to the Committee and have the County of Riverside rejoin the JPA.

Counsel stated that the County of Riverside handled the marketing of the Enterprise Zone and that once it sunsetted, they backed out of the AMIGA JPA as their part of the project was finished. The other entities, cities of Fontana and Jurupa Valley, and the County of Riverside would have to agree to join the AMIGA JPA. There would be administration costs if the JPA became active again. Collecting funds for the AMIGA JPA from the involved entities is voluntary and the JPA cannot force entities to make payments.

Chair Gonzales suggested counsel review the JPA to see what AMIGA is able to do legally, what the costs would be, and have staff present the results of the review at the next committee meeting. Committee Member Robertson agreed.

Director Rigney asked Committee Member Robertson if they would provide a formal request stating what they want the AMIGA JPA to do and she stated they would provide

this information.

Motion by Committee Member Robertson to direct staff to review the JPA and to coordinate the findings for presentation at the next meeting; seconded by Vice-Chair Gardner.

- 9. Public Comment: None**
- 10. The meeting was adjourned at 5:55 on motion by Vice-Chair Gardner, seconded by Committee Member Robertson.**



MINUTES

SPECIAL MEETING OF THE EXECUTIVE COMMITTEE

MEETING: Agua Mansa Industrial Growth Association

LOCATION: San Bernardino County Government Center
385 N. Arrowhead Avenue, 5th Floor, Citrus Room
San Bernardino, California

DATE/TIME: July 31, 2013, 4:00 p.m.

MEMBERS PRESENT: Chair Gonzales, 5th District Supervisor, County of San Bernardino; Vice Chair Gardner, Councilmember, City of Riverside; and Mayor Robertson, City of Rialto

OTHERS PRESENT: Jeff Rigney, Special Districts, Doug Moore, 5th District Board of Supervisors; Dan Flores, 5th District Board of Supervisors, Michelle Blakemore, County Counsel; Dawn Messer, County Counsel; Bob Page, County Administrative Office; Mary Mayes, Special Districts; Marcus Fuller, City of Rialto; Dennis Barton, Riverside County Transportation Commission

1. The meeting was called to order by Chair Gonzales at 4:00 p.m.

The Chair asked if there were any changes to the agenda and Special Districts Director, Jeff Rigney, announced there were changes to the presenter on Items 2, 3 and 4. The presenter for Item 2 is Jeff Rigney; Item 3 is Jeff Rigney; and Item 4 is Dawn Messer. There was also a change to the recommendation on Item 2: it should read, adopt Resolution No. 2013-03 "designating" various professional service providers instead of approving." Those were the only changes to the agenda.

Motion to accept changes made by Committee Member Gardner, with a second by Committee Member Robertson. Hearing no opposition, the item was approved.

Chair Gonzales announced for the record that Mayor Pro Tem Toro was not present at the meeting.

- 2. Direct staff to investigate the feasibility of refinancing the “Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003” and adopt Resolution No. 2013-3 designating service providers for the refinancing of “Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003.” (Presenter: Jeff Rigney, Director, Special Districts, County of San Bernardino)**

Jeff Rigney, Director of Special Districts, presented the item and gave a brief overview on current and past interest rates on the AMIGA bonds and the reasons for refinancing. At the AMIGA meeting on June 5, the AMIGA Committee requested that separate request for proposals be issued to give other firms a chance to bid and for transparency in the County. RFPs for Underwriter, Bond Counsel, Disclosure Counsel and Financial Advisor was released and bids were received from various firms. A selection committee consisting of staff from the County of San Bernardino (County Counsel, Special Districts and Treasurer Tax/Collector), and the City of Colton met and selected the following firms and recommended that the Committee designate: PiperJaffray for Underwriter; CSG Advisors for Financial Advisor; McFarlin * Anderson, LLP for Bond Counsel; and Fulbright & Jaworski LLP for Disclosure Counsel.

No members from the public wished to speak on the item. Motion made by Committee Member Robertson with a second from Committee Member Gardner. Hearing no opposition, the item was approved.

- 3. City of Rialto staff report on possible expansion of AMIGA to address transportation issues (Presenter: Jeff Rigney, Director, Special Districts Department, County of San Bernardino)**

Jeff Rigney, Director of Special Districts, presented the item. During the AMIGA meeting on June 5, Rialto staff made a presentation on the possibility of expanding the role of the committee to look at transportation issues in the AMIGA corridor and possibly bring in new members. The Executive Committee requested City of Rialto provide a written report for the next AMIGA Executive Committee meeting so it could be on record as to exactly what they were requesting. Committee Member Gardner stated any discussion could be under next agenda item which is to potentially amend the AMIGA JPA. Motion made by Committee Member Gardner with a second from Committee Member Robertson to receive final report. No members from the public wished to speak on the item so hearing no opposition, the item was approved.

4. County Counsel report on potential amendments to AMIGA Joint Powers Agreement (Presenter: Dawn Messer, Deputy Counsel, County of San Bernardino)

Dawn Messer, Deputy County Counsel, presented the item and stated that at last AMIGA meeting, staff was directed to review the existing AMIGA JPA and determine how and to what extent the JPA could be utilized to facilitate the comprehensive study and address transportation impacts within the expanded area. Ms. Messer gave an overview of the JPA and also what would be required if the current AMIGA was expanded. She stated the Enterprise Zone had sunsetted and at this time AMIGA only meets one time per year.

Discussion among the Committee Members and legal counsel ensued and many questions were asked of legal counsel as to what would be required to expand the current JPA and also what would be involved if a new JPA was formed. Discussion also included various aspects of the JPA, including future members, what the function of the JPA would be, the costs, staffing, who would administer the JPA, and if SANBAG and RCTC should be involved in the talks. Creating a new JPA can be simple or very complex. Counsel stated that any amendments to the current agreement can only be made by unanimous consent of all parties.

Chair Gonzales asked about meeting the administrative requirements and how payroll costs would be met. Legal counsel stated it would be up to the JPA and an independent account could be set up to meet payroll. The JPA can designate staffing or a member agency could provide staffing and the space, but these are questions to be asked when putting the JPA together.

Mr. Dennis Barton of RCTC stated he has been active in Aqua Mansa Corridor meetings with the City of Rialto and they have been exploring various options to see which would be the most expeditious and simplistic way instead of creating a new JPA. Through the meetings with the City of Rialto, the general consensus was expanding the JPA would be the best vehicle to get the group together to talk and start the process but this isn't as simplistic as they thought it would be and they now need to stop and relook at it again. The Chair said simplification should be the intent and the potential benefit to each member agency needs to be stated.

There was much discussion on the request to expand AMIGA to be used as the vehicle to address the transportation issues in the cities of Rialto, Colton, Fontana, Jurupa Hills, and the Counties of San Bernardino and Riverside. Counsel stated that the amount of work to change the existing JPA would be as much or more than forming a new JPA specific for this purpose. It was also brought up that this could be something that SANBAG could do and is already set up to do. The Executive Committee agreed to continue looking at it and get with their respective staff to discuss the issues and needs.

During the conversation, Mayor Robertson mentioned that County staff, including Public Works and Land Use Services, had been attending meetings on the subject for the past 2 years. Supervisor Gonzales then stated that we need to discuss this with these staff members because she had not been made aware of these meetings (Aqua Mansa Policy

Committee Meeting) until recently.

The Chair directed Director Rigney to report back to her as to what takes place at the meeting on Monday and she also wants to receive updates from her staff on the meetings. The cities of Colton and Rialto have been at the meetings and staff from Fontana, but no elected officials have been attending. The Chair stated the number one step needs to be clearer communication. Legal Counsel Blakemore asked if there were notes from past meetings and if so, could they be sent to us and Committee Member Robertson stated they do have notes and will provide them.

The Chair noted that Mr. Dennis Barton's comments made during the meeting were public comments and since no other members of the public attended to speak on the item, it was closed to public comment.

Per the Chair, this item will be kept open for further discussion at the next AMIGA meeting, which is scheduled for September 19 at 4:00. Committee Member Robertson stated she would not be able to attend, as she will be in Sacramento on that date. Per direction from the chair, a notice of cancellation will be Issued for the September 19, 2013 meeting and the next AMIGA meeting will be on October 23, 2013 at 4:00 p.m.

5. Public Comment: None

6. The meeting was adjourned at 5:27 p.m. by Chair Gonzales.

ITEM 3

**REPORT/RECOMMENDATION TO THE
AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION
EXECUTIVE COMMITTEE
AND RECORD OF ACTION**

JANUARY 16, 2014

ITEM NO. 3

FROM: JEFFREY O. RIGNEY, Director
Special Districts Department, County of San Bernardino

**SUBJECT: BOND REFINANCING UPDATE REPORT AND PRESENTATION OF THE
PROPOSED REFINANCING OF THE "AGUA MANSA INDUSTRIAL GROWTH
ASSOCIATION COMMUNITY FACILITIES DISTRICT NO. 2002-1 (AGUA
MANSA INDUSTRIAL CENTER) SPECIAL TAX BONDS, SERIES 2003"**

RECOMMENDATION(S)

Accept Bond Refinancing Update Report of the "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003".

(Presenter: Jeffrey O. Rigney, Director, Special Districts Department, County of San Bernardino, and Scott Smith, Financial Advisor, CSG Advisors)

FINANCIAL IMPACT

All costs relating to the refinancing will be paid by the proceeds from the sale of the refinancing of the bonds. The bonds will be repaid by a special tax levy paid by the property owners in the Community Facilities District.

BACKGROUND INFORMATION

On July 31, 2013 (Item No. 2), the AMIGA Executive Committee adopted Resolution No. 2013-03 directing AMIGA staff to investigate the potential and timing for refinancing the "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, designated firms to provide professional services and directed the Secretary to engage any additional professional consultants as may be necessary to facilitate the evaluation of the proposed refinancing of the outstanding bonds. A Staff Report prepared by Special Districts Department, County of San Bernardino, is attached as Exhibit "A".

REVIEW BY OTHERS

This item has been reviewed by County of San Bernardino, County Counsel (Dawn Messer, Deputy Counsel, 909 387-4322) on January 2, 2014.

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Moved: _____ Second: _____ Aye: _____ Nay: _____

Approved Date: _____

Secretary of the Governing Board _____

EXHIBIT "A"

BOND REFINANCING UPDATE REPORT

As directed by the Agua Mansa Industrial Growth Association (AMIGA) Executive Committee on July 31, 2013, staff has been working with CSG Advisors (as Financial Advisor) and Piper Jaffray (as Investment Banker) investigating the potential and timing for the refinancing of the "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003."

In November 2013, Piper Jaffray engaged with a number of private placement banks that are actively engaged in direct purchase CFD Special Tax Refunding obligations in California. Since the latter half of 2013, private placement banks have increased their activity in this area of municipal finance, and have proposed rates and terms significantly better than can be achieved with traditional, publicly-sold bonds. In December, Piper Jaffray received a proposal from City National Bank to purchase the AMIGA refunding bonds that would result in a savings of approximately \$1.8 million over the term of the bonds. The initial proposal was reviewed by the County's finance team and further refined by City National on December 18th.

At the January 16 meeting, CSG Advisors and Piper Jaffray will provide a summary of the City National proposal, projected savings which can be achieved, and the general procedure and timing proposed for refinancing the bonds. If such plan is acceptable to the AMIGA Executive Committee, staff is recommending the AMIGA Executive Committee adopt Resolution 2014-01 (Item No. 5) which will amend the regular meeting schedule to include three additional meeting dates.

If the Resolution is approved, the Special Districts Department would like to bring the final refinancing documents before the AMIGA Executive Committee on February 13, 2014 to facilitate a March 1, 2014 redemption of the Bonds. In addition to February 13, 2014, two additional meetings dates have been included in the Resolution (March 19 and April 14) should they be required; however, a March 1 redemption would maximize the savings which can be achieved under the December 18 proposal, as after March 1, the Bonds cannot be redeemed again until their next interest payment date of September 1, 2014.

ITEM 4

**REPORT/RECOMMENDATION TO THE
AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION
EXECUTIVE COMMITTEE
AND RECORD OF ACTION**

JANUARY 16, 2014

ITEM NO. 4

FROM: JEFFREY O. RIGNEY, Director
Special Districts Department, County of San Bernardino

**SUBJECT: CONSIDER REFINANCING OF AND REQUEST TO REDEEM BONDS OF THE
"AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION COMMUNITY
FACILITIES DISTRICT NO. 2002-1 (AGUA MANSA INDUSTRIAL CENTER)
SPECIAL TAX BONDS, SERIES 2003"**

RECOMMENDATION(S)

1. Approve the Refinancing of the "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds, Series 2003" ("Bonds") and direct staff to present the refinancing documents in substantially final form at a scheduled meeting.
2. Approve the Request to Redeem the Bonds and authorize Jeff Rigney, Director of Special Districts to execute the Request to Redeem Bonds

(Presenter: Jeffrey O. Rigney, Director, Special Districts Department, County of San Bernardino, (909-387-5967))

FINANCIAL IMPACT

All costs relating to the refinancing will be paid by the proceeds from the sale of the refinancing of the bonds. The bonds will be repaid by a special tax levy paid by the property owners in the Community Facilities District.

BACKGROUND INFORMATION

Staff and selected consultants presented an update report on the refinancing of the Bonds at this meeting, as part of Agenda item 3. Approval of this Item will allow for the Staff to proceed with the refinancing of the Bonds and will approve the "Written Request to Redeem Bonds" ("Written Request"), attached as Exhibit "A", to be submitted to US Bank, the Fiscal Agent and authorize Jeff Rigney, Director of Special Districts to execute the document. The Written Request includes an indemnification of the Fiscal Agent for any liability or costs it may incur as a result of taking the action to redeem the Bonds as directed by AMIGA. This is a standard request and provision for fiscal agents to undertake providing a notice of conditional redemption of existing bonds. In

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Moved: _____ Second: _____ Aye: _____ Nay: _____

Approved Date: _____

Secretary of the Governing Board _____

**CONSIDER REFINANCING OF AND REQUEST TO REDEEM BONDS OF THE "AGUA
MANSA INDUSTRIAL GROWTH ASSOCIATION COMMUNITY FACILITIES DISTRICT NO.
2002-1 (AGUA MANSA INDUSTRIAL CENTER) SPECIAL TAX BONDS, SERIES 2003"**
JANUARY 16, 2014
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addition, approval of this item will direct staff to present the refinancing documents in substantially final form at a scheduled meeting so that the refinancing can be accomplished. It is anticipated that if this item is approved, the refinancing will be completed by February 28.

REVIEW BY OTHERS

This item has been reviewed by County of San Bernardino, County Counsel (Dawn Messer, Deputy Counsel, 909 387-4322) on January 2, 2014.

EXHIBIT "A"

**AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION
COMMUNITY FACILITIES DISTRICT NO. 2002-1
(AGUA MANSA INDUSTRIAL CENTER)
SPECIAL TAX BONDS, SERIES 2003**

WRITTEN REQUEST TO REDEEM BONDS

Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center), (the "District"), hereby states and certifies:

(a) that Jeffrey O. Rigney, Deputy Director Special Districts Department County of San Bernardino is an "Authorized Representative of the District," as such term is defined in the Bond Indenture, dated as of July 1, 2003 (the "Bond Indenture"), by and between the Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) and U.S. Bank National Association, as fiscal agent, pursuant to which were issued Special Tax Bonds, Series 2003 (the "Bonds");

(b) that U.S. Bank National Association (the "Fiscal Agent") under the Bond Indenture is hereby notified that the District is exercising its option to redeem, on March 1, 2014, all of the Outstanding Bonds maturing on and after September 1, 2014 pursuant to, and in accordance with the provisions of, Section 4.01(a) of the Bond Indenture; and

(c) that the District intends to issue, on or prior to March 1, 2014, refunding bonds, the net proceeds of which, together with other available amounts held by the Fiscal Agent, will be sufficient to pay the Redemption Price of, and accrued interest on, such Bonds to be so redeemed, and that such redemption shall be conditional upon the issuance of such refunding bonds and the receipt by the Fiscal Agent of such net proceeds.

(d) the District shall indemnify the Fiscal Agent against all costs, claims and liabilities resulting from action taken under the foregoing directions.

Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Fiscal Agent Agreement.

Dated:

**AGUA MANSA INDUSTRIAL
GROWTH ASSOCIATION
COMMUNITY FACILITIES DISTRICT
NO. 2002-1 (AGUA MANSA
INDUSTRIAL CENTER**

By: _____
Jeffrey O. Rigney,
Deputy Director Special Districts
Department County of San Bernardino
Authorized Representative of the District

ITEM 5

**REPORT/RECOMMENDATION TO THE
AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION
EXECUTIVE COMMITTEE
AND RECORD OF ACTION**

JANUARY 16, 2014

ITEM NO. 5

FROM: JEFFREY O. RIGNEY, Director
Special Districts Department, County of San Bernardino

**SUBJECT: ADOPT RESOLUTION AMENDING REGULAR MEETING DATES OF THE
EXECUTIVE COMMITTEE OF THE AGUA MANSA INDUSTRIAL GROWTH
ASSOCIATION**

RECOMMENDATION(S)

Adopt Resolution No. 2014-01 amending regular meeting dates.

(Presenter: Jeffrey O. Rigney, Director, Special Districts Department, County of San Bernardino,
(909-387-5967)

FINANCIAL IMPACT

There is no financial impact associated with approval of this item.

BACKGROUND INFORMATION

On June 5, 2013 (Item No. 5), the AMIGA Executive Committee adopted Resolution No. 2013-02 establishing regular meeting dates during 2013/2014 in accordance with California Government Code Section 54954. On July 31, 2013 (Item No. 2), the AMIGA Executive Committee adopted Resolution No. 2013-03 directing AMIGA staff to investigate the feasibility of refinancing the "Agua Mansa Industrial Growth Association Community Facilities District No. 2002-1 (Agua Mansa Industrial Center) Special Tax Bonds. California Government Code Section 6592.1 requires that a resolution authorizing the issuance of bonds, or accepting the benefit of any bonds or the proceeds of bonds shall be adopted by an authority established pursuant to California Government Code Section 6500 et seq. only during a regularly scheduled meeting held pursuant to California Government Code Section 54954. To facilitate the most advantageous timing for the refinancing of the Special Tax Bonds three additional regular meetings for this year (February 13, March 19, and April 14) of the Executive Committee are requested by adopting of Resolution No. 2014-01.

REVIEW BY OTHERS

This item has been reviewed by County of San Bernardino, County Counsel (Dawn Messer, Deputy Counsel, 909 387-4322) on January 2, 2014.

Page 1 of 1

Moved: _____ Second: _____ Aye: _____ Nay: _____

Approved Date: _____

Secretary of the Governing Board _____

RESOLUTION NO. 2014-01

**RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE
AGUA MANSA INDUSTRIAL GROWTH ASSOCIATION
AMENDING REGULAR MEETING DATES**

WHEREAS, on June 5, 2013, the Executive Committee of Agua Mansa Industrial Growth Association ("AMIGA") adopted Resolution No. 2013-02 establishing regular meeting dates during 2013/2014 in accordance with California Government Code Section 54954;

WHEREAS, the following dates have been set as regular meeting dates during 2014:
January 16, 2014; May 7, 2014; and June 4, 2014;

WHEREAS, the Executive Committee of AMIGA now desires to add additional dates during 2014;

WHEREAS, California Government Code Section 6592.1 requires that a resolution authorizing the issuance of bonds, or accepting the benefit of any bonds or the proceeds of bonds shall be adopted by an authority established pursuant to California Government Code Section 6500 et seq. only during a regularly scheduled meeting held pursuant to California Government Code Section 54954; and

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of AMIGA the following:

1. Meeting Time and Place: The following additional regular meetings of the Executive Committee of AMIGA during 2014 shall be held at:

Thursday, February 13, 2014 at 4:00 p.m. at 385 N. Arrowhead Avenue, San Bernardino, California, 92415;

Wednesday, March 19, 2014 at 4:00 p.m. at 385 N. Arrowhead Avenue, San Bernardino, California, 92415; and

Monday, April 14, 2014 at 4:00 p.m. at 385 N. Arrowhead Avenue, San Bernardino, California, 92415.

2. Cancellations and Adjournment: Nothing in this resolution shall limit the ability of the Executive Committee of AMIGA to cancel or adjourn any regular meeting. The Chair of the Committee is hereby authorized to cancel any regularly scheduled meeting, upon consultation with County Counsel and Secretary and determining there is no business to conduct for that meeting.

3. This resolution shall take effect immediately upon its passage and adoption.

APPROVED AND ADOPTED this 16th day of January, 2014.

AYES:
NOES:
ABSENT:
ABSTAIN:

JOSIE GONZALES, Chair

ATTEST:

JEFFREY O. RIGNEY
Secretary

APPROVED AS TO FORM:

DAWN M. MESSER, County Counsel
San Bernardino County, California

By: _____
Deputy County Counsel