

MONDAY, APRIL 19, 2010

Minutes of the 740th meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, April 19, 2010 began at 4:30 p.m. in the District's Board Room located at 3430 East Danish Road, Cottonwood Heights, Utah 84093.

The following Trustees were present:

Leland J. Myers	-Chair
John S. Kirkham	-Vice Chair
Lee Kapaloski	-Secretary
Donald Y. Milne	-Trustee
Tom Godfrey	-Trustee
David L. Buhler	-Trustee
Kathy W. Loveless	-Trustee

Also present:

Michael Wilson, General Manager
Michael DeVries, Assistant General Manager/Information Services Manager
Josh DeBry, Controller
Steve Stocking, Operations & Maintenance Manager
Wayne Winsor, Engineering Manager
Annalee Munsey, Executive Assistant/HR Officer
Cláudia Wheeler, Environmental Services Manager
Gardner Olson, Project Engineer
Shawn Draney, Snow, Christensen & Martineau
Jeff Niermeyer, Salt Lake City Public Utilities
Tom Ward, Salt Lake City Public Utilities
Shane Pace, Sandy City Public Utilities
Johnathan Ward, Zions Bank Public Finance
Eric Hunter, Chapman and Cutler
Mike Kobe, Brown and Caldwell
Brandon Heidelberger, Brown and Caldwell
Scott Robertson, Lewis Young Robertson & Burningham
Jim Matsumori, George K. Baum
Jason Luettinger, Bowen Collins & Associates
Chris Finlinson, Central Utah Water Conservancy District
Alan Packard, Jordan Valley Water Conservancy District
Mike Riddle, J-U-B Engineers
Mike Zuhl, R&R Partners

Work Session Agenda

1. Utah Lake Pump Station
2. Other

Board Meeting Agenda

1. Call to order
2. Public comment
3. Consider approval of liquidity provider agreement
4. Consider approval of Fiscal Year 2011 Tentative Budget
5. Conservation Committee report
 - a. Discuss Governor's Water Conservation Team
 - b. Discuss Water Week
6. Finance Committee:
 - a. Check register review
 - b. Credit card expenditure review
7. Consider acceptance of financial reports
8. Consider approval of board meeting minutes dated March 22, 2010
9. Reporting/Scheduling items

10. Other Business
11. Items to be discussed at the next meeting
12. Closed session (if necessary)
13. Adjourn

Work Session

Utah Lake Pump Station

Mr. Winsor and Mr. Draney made a presentation on the Utah Lake Pump Station to the Board. The Utah Lake Pump Station (a.k.a. Saratoga Pump Station) is a 95 plus year old pump station that delivers Utah Lake waters into the Jordan River during times when the water surface of Utah Lake is below compromise elevation. The Utah Lake Pump Station is governed by the Board of Canal Presidents (BOCP). The District will be procuring professional services for the design of the replacement pump station. Mr. Winsor discussed the pending Engineering Cooperation Agreement with the BOCP as well as the pending Articles of Incorporation.

Other

No other business was discussed.

Board Meeting

Call to order

At 4:35 p.m. the Chair called the meeting to order and welcomed board members, staff and guests. Mr. Milne participated via telephone.

Public comment

The Chair invited any public comment. No public comment was made.

Consider approval of liquidity provider agreement

One of the components of the District's variable rate debt program is to have a liquidity provider in place. The current provider is JP Morgan and the term of the agreement with JP Morgan ends on May 13, 2010. Mr. David Robertson and Mr. Scott Robertson, financial advisors for The Utah Water Finance Agency, reviewed options and obtained quotes from JP Morgan and other parties. The favorable quote was received from Helaba Bank. Mr. Kirkham reported that the Finance Committee met and recommends a change of liquidity provider to Helaba Bank with a one year term. Mr. Scott Robertson reviewed the liquidity provider agreement with the Board and the time schedule for the new agreement.

Mr. Kirkham motioned to approve Resolution 1839 regarding the approval of a liquidity provider agreement; Mr. Godfrey seconded the motion, and the motion carried unanimously upon roll call:

Mr. Myers	-aye
Mr. Kirkham	-aye
Mr. Kapaloski	-aye
Mr. Buhler	-aye
Ms. Loveless	-aye
Mr. Godfrey	-aye
Mr. Milne	-aye

Consider approval of Fiscal Year 2011 Tentative Budget

Mr. Wilson reviewed the Fiscal Year 2011 Tentative budget. The Finance Committee met and reviewed a tentative budget which did not include a rate increase. However, the budget

presented to the Board includes a three percent rate increase which has been added based on feedback from the member cities. The budget also includes updated costs for the Jordan Aqueduct.

Mr. Godfrey motioned to approve the Fiscal Year 2011 Tentative Budget; Ms. Loveless seconded the motion, and the motion carried unanimously.

Conservation Committee Report

The Conservation Committee discussed the governor's water conservation media campaign. The new media agent is R&R partners and they are focusing on surveying the public and conducting focus groups in order to evaluate the effectiveness of the current media campaign. Water Week activities were discussed.

Finance Committee Report

Mr. Kirkham reported the Finance Committee was provided with the quarterly check register and credit card expenditure report.

Consider acceptance of financial reports

Mr. Kirkham motioned to accept the March 2010 financial reports; Mr. Milne seconded the motion, and the motion passed unanimously.

Consider approval of board meeting minutes dated March 22, 2010

Mr. Godfrey motioned to approve the Board Meeting Minutes dated March 22, 2010; Ms. Loveless seconded the motion and it carried unanimously.

Reporting/Scheduling items

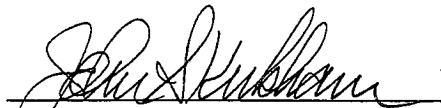
The May 5th Finance Committee meeting has been cancelled. The River Oaks Withdrawal process is complete and has been presented to the lieutenant governor's office for signature. The District will present the FY 2011 budget to the Salt Lake City Council on April 27th. Mr. Wilson reported the District received ultraviolet disinfection approval on April 8, 2010 for the Point of the Mountain Water Treatment Plant from the State of Utah Division of Drinking Water.

Other Business

No other business was discussed.

Adjourn

At 5:18 p.m. Mr. Kapaloski motioned to adjourn; Mr. Kirkham seconded the motion and the motion passed unanimously.


Chair


Secretary

RESOLUTION NO. 1839

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY
OF STANDBY BOND PURCHASE AGREEMENTS; AND RELATED
MATTERS.

*** *** ***

WHEREAS, the Metropolitan Water District of Salt Lake & Sandy (the "*District*"), has previously entered into a Standby Bond Purchase Agreement, dated as of June 1, 2008 and a Standby Bond Purchase Agreement, dated as of May 1, 2009 (collectively, the "*Original SBPAs*"), with the Utah Water Finance Agency (the "*Agency*"), Zions First National Bank (the "*Trustee*") and JPMorgan Chase Bank, National Association, relating to the Agency's \$135,400,000 aggregate principal amount of Program Revenue Bonds, Series B-3 and \$28,700,000 aggregate principal amount of Program Revenue Bonds, Series B-5 (collectively, the "*Bonds*"), respectively, issued on behalf of the District;

WHEREAS, the Original SBPAs are scheduled to expire on May 12, 2010;

WHEREAS, the District desires to enter into Standby Bond Purchase Agreements (the collectively, the "*Agreements*") with the Agency, the Trustee and Landesbank Hessen-Thüringen Girozentrale, each dated as of May 1, 2010, in order to satisfy the requirements of Section 13.01 of the Trust Indentures, between the Agency and the Trustee, dated as of June 1, 2008 and May 1, 2009, respectively, relating to the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY, AS FOLLOWS:

Section 1. The Agreements are hereby authorized and approved, and the Chair of the Board of Trustees of the District (the "*Chair*") is hereby authorized to execute and deliver, and the Clerk of the District (the "*Clerk*") is hereby authorized to seal and attest, the Agreements in substantially the form attached hereto as *Annex A* and with substantially such terms as set forth in the term sheet attached hereto, with such insertions, deletions, changes and variations as the Chair may deem appropriate, the approval by the Chair of any such insertions, deletions, changes and variations to be conclusively established by the execution of the Agreements.

Section 2. The Chair, the Clerk, and other officers and employees of the District are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable for the District to provide for the consummation of the transaction contemplated herein. If (a) the Chair or (b) the Clerk shall be unavailable to execute or seal or attest, respectively, the Agreements that they are hereby authorized to execute, seal and attest, the same may be executed, or sealed and attested by, respectively, (i) the Vice Chair or (ii) any Assistant Clerk or any member of the Board of Trustees of the District.

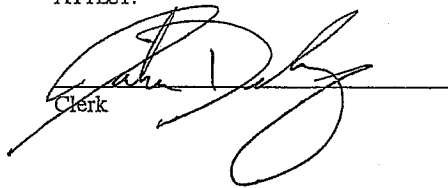
Section 3. The provisions of this resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 4. Upon its adoption, this resolution shall be signed by the Chair and the Clerk, shall be recorded in a book kept for that purpose, and shall take immediate effect.

PASSED AND APPROVED this 19th day of April, 2010.


Chair

ATTEST:


Clerk

BOARD MEMBER	VOTE
Leland J. Myers	<u>aye</u>
John S. Kirkham	<u>aye</u>
Lee Kapaloski	<u>aye</u>
David L. Buhler	<u>aye</u>
Tom Godfrey	<u>aye</u>
Kathy W. Loveless	<u>aye</u>
Donald Y. Milne	<u>aye</u>

[SEAL]

