

## AGENDA

### NOTICE OF SPECIAL MEETING

**TIME:** 6 p.m.

**DATE:** Tuesday, September 3, 2024

**PLACE:** Dublin San Ramon Services District Boardroom  
7051 Dublin Boulevard, Dublin, CA  
[www.dsrds.com](http://www.dsrds.com)

Our mission is to provide reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and environmentally responsible manner.

1. CALL TO ORDER

2. PLEDGE TO THE FLAG

3. ROLL CALL

4. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)

At this time those in the audience are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight's agenda. Comments should not exceed five minutes. Speaker cards are available from the District Secretary and should be completed and returned to the District Secretary prior to addressing the Board. The President of the Board will recognize each speaker, at which time the speaker should proceed to the lectern. Written comments received by 3 p.m. on the day of the meeting will be provided to the Board.

5. APPROVE MINUTES

5.A. Approve Special Meeting Minutes of December 5, 2023  
**Recommended Action:** Approve by Motion

6. NEW BUSINESS

6.A. Direct Dissolution of DSRSD Financing Corporation  
**Recommended Action:** Direct by Resolution

7. ADJOURNMENT

*All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection at the front desk of the District Office at 7051 Dublin Blvd., Dublin, during business hours, or by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.*

**DSRSD FINANCING CORPORATION  
MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS**

**December 5, 2023**

1. CALL TO ORDER

A special meeting of the Board of Directors was called to order at 6 p.m. by President Vonheeder-Leopold.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting: President Georgan M. Vonheeder-Leopold, Vice President Ann Marie Johnson, Director Arun Goel, Director Dinesh Govindarao, and Director Richard M. Halket.

District staff present: Dan McIntyre, General Manager; Jan Lee, Assistant General Manager; Steve Delight, Engineering Services Director/District Engineer; Dan Gill, Operations Director; Michelle Gallardo, Special Assistant to the General Manager; Douglas E. Coty, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:01 p.m. No public comment was received.

5. APPROVE MINUTES

5.A. Approve Special Meeting Minutes of December 6, 2022

Director Govindarao MOVED to Approve the Special Meeting Minutes of December 6, 2022. Director Halket SECONDED the MOTION, which CARRIED with FIVE AYES

6. NEW BUSINESS – None

7. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 6:01 p.m.

Submitted by,

Nicole Genzale, CMC  
Executive Services Supervisor/District Secretary

**TITLE:** Direct Dissolution of DSRSD Financing Corporation

**RECOMMENDATION:**

Staff recommends the Board of Directors direct, by Resolution, the dissolution of the DSRSD Financing Corporation.

**DISCUSSION:**

At the regular meeting of the DSRSD Board of Directors on August 20, 2024, staff reported that the active status of the DSRSD Financing Corporation (Corporation) has lapsed. After discussion, the DSRSD Board directed staff to schedule a Corporation Board meeting to perform the necessary proceedings and activities to dissolve the Corporation.

The Corporation was formed November 16, 1990, for the purpose of rendering financial assistance to the District by financing, refinancing, acquiring, constructing, improving, leasing and selling of buildings, building improvements, equipment, electrical, water, sewer, road and other public improvements, lands, and any other real or personal property for the benefit of residents of the service area of the District and surrounding areas. Simultaneously with forming the Corporation, the District issued debt consistent with the objects and purposes of the Corporation, using the Corporation as counterparty to the debt transaction, a required element of certain debt transactions. The District also used the Corporation for issuing debt in 2000 for the Wastewater Treatment Plant Stage IV Improvements. The 1990 debt has been fully retired, and the 2000 debt was refunded as part of the 2011 LAVWMA Sewer Revenue Refunding Bonds, which were refunded again in 2021.

Maintaining the Corporation requires holding annual Board meetings per the bylaws and submitting annual filings and payments to the Internal Revenue Service (IRS) to maintain an active status. It recently came to staff’s attention that the annual renewal filings and payments for maintaining the Corporation have not been filed for the past three years, leading to the recent lapse of its active status. The reason for the non-filings is not known and may be attributable to staff turnover.

Staff spoke with the District’s bond counsel, Jones Hall, for options and was informed of less burdensome procedures for issuing debt either directly as stand-alone for certain types of transactions, or working with one of several non-profit corporations, where applicable, that provide what is known as “transaction-specific” counterparty services to public agencies such as the District, such as Public Property Financing Corporation of California or California Special Districts Association Finance Corporation available at (<https://www.csdafinance.net/home>).

One-time transaction costs for these services are approximately \$5,000 to \$10,000 included in the costs of issuance (rather than out of pocket). Using one-time transaction-specific services eliminates the need for an ongoing, legally separate public entity and saves costs of maintaining the separate entity. The District’s bond counsel has experience working with either of the above service providers. The District may also directly issue debt as appropriate for the needed financing.

Given the recent lapse in active status for the Corporation, staff presented two options to the DSRSD Board: (1) continue the Corporation or (2) dissolve the Corporation. It is unlikely that the District would require the Corporation to issue debt in the future. Also, there are less burdensome procedures for debt issuance, such as directly issuing debt or using transaction-specific counterparty services. At the August 20, 2024 meeting, the DSRSD Board decided to dissolve the Corporation, requiring action by the Corporation Board per Article IV of the DSRSD Financing Corporation Bylaws.

After adoption of the dissolution resolution, staff will complete the necessary activities to terminate the Corporation.

<b>Originating Department:</b> Finance	<b>Contact:</b> K. Spray	<b>Legal Review:</b> Yes
<b>Financial Review:</b> Yes	<b>Cost and Funding Source:</b> N/A	
<b>Attachments:</b> <input type="checkbox"/> None <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation <input type="checkbox"/> Other (see list on right)	3 of 5	

DSRSD FINANCING CORPORATION

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD FINANCING CORPORATION DIRECTING DISSOLUTION OF THE DSRSD FINANCING CORPORATION

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WHEREAS, on November 16, 1990, the California Secretary of State endorsed the Articles of Incorporation for the formation of the DSRSD Financing Corporation, a legally separate public entity; and

WHEREAS, on November 20, 1990, the DSRSD Financing Corporation Board of Directors adopted the Bylaws of the DSRSD Financing Corporation, which were amended in 2019 (the "Amended Bylaws); and

WHEREAS, the objects and purposes of the DSRSD Financing Corporation were to render financial assistance to DSRSD by financing, refinancing, acquiring, constructing, improving, leasing and selling of buildings, building improvements, equipment, electrical, water, sewer, road and other public improvements, lands, and any other real or personal property for the benefit of residents of the service area of DSRSD and surrounding areas; and

WHEREAS, there no longer exists the need for an ongoing legally separate public entity and associated maintenance costs to render financial assistance as described herein to DSRSD; and

WHEREAS, DSRSD will self-finance debt issuances or utilize the services of nonprofit corporations that provide transaction-specific counterparty services to public agencies for bond issuance transactions as appropriate following the guidance of DSRSD bond counsel and financial advisors; and

WHEREAS, Article IV Section 2. Dissolution. of the Amended Bylaws specifies that the Corporation may be dissolved "*...by vote of the Directors, or by the action of the Board of Directors in accordance with the provisions of California law.*"

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DSRSD FINANCING CORPORATION, a nonprofit public benefit corporation located in the Counties of Alameda and Contra Costa, California, that pursuant to this resolution the DSRSD Financing Corporation shall be dissolved; and

BE IT FURTHER RESOLVED that the General Manager, or designee, is authorized and directed to make payment of, or provide for the payment of, all debts and liabilities of the Corporation and the distribution of all assets of the Corporation to DSRSD; and

BE IT FURTHER RESOLVED that the General Manager, or designee, is authorized and directed to take all necessary and legal steps required to dissolve the DSRSD Financing Corporation in accordance

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with the Amended Bylaws and applicable California law, including signing and filing of any and all documents and submissions, of any kind, to the California Secretary of State.

ADOPTED by the Board of Directors of the DSRSD Financing Corporation, a nonprofit public benefit corporation in the State of California, Counties of Alameda and Contra Costa, at its special meeting held on the 3rd day of September, 2024, and passed by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Ann Marie Johnson, President

ATTEST: \_\_\_\_\_  
Nicole Genzale, District Secretary