

M E M O R A N D U M

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Chuck Ewert
Southwestern Illinois FPD Council

The purpose of this memorandum is to provide a high-level roadmap of activities leading to a financing in furtherance of the Board of Director's recent decision to pursue 500-year protection in the Metro-East region. Many of these steps will be familiar to your board members who participated in the Council's 2010 financing.

MAY 2015 MEETING

At the May regular meeting of the Board, I will provide a quick overview of the financing calendar and will seek Board authorization to engage bond and disclosure counsel for the financing. On behalf of the Council, we solicited proposals from three law firms active in the region; those proposals are due to us by the end of business on May 18. We will provide a brief summary and recommendation to you by mid-day on May 19 with the hopes that you can distribute that memorandum to the Board in advance of the meeting on May 20.

JUNE 2015 MEETING

At the June regular meeting of the Board, we will seek Board approval of a resolution authorizing staff, counsel and consultants to begin work on a financing in earnest, including soliciting proposals from bond underwriters, bank trustees and other required professionals. This action will also allow bond counsel to begin in-depth work on the creation of the necessary bond and disclosure documents to effect the financing.

AUGUST 2015 MEETING

At the August regular meeting of the Board, we will seek Board action to appoint the underwriting team based upon our analysis of underwriting proposals received. We also expect to seek Board appointment of a bank trustee and other professionals required to effect the financing.

OCTOBER 2015 MEETING

At the October regular meeting of the Board, we expect Amec Foster Wheeler to deliver its recommended project priority list for Board action. This information will provide guidance to us about the timing of the bond financing and the demand for bond moneys to finance projects.

At this same meeting, we contemplate seeking Board approval of a bond resolution permitting issuance of the bonds subject to certain parameters. Typically, these parameters would set upper limits on the amount of bonds to be issued, the maximum permitted borrowing costs, etc. From and after Board adoption of the bond resolution, staff would

have the authority to execute the financing when prudent to do so. Based upon the guidance from Amec Foster Wheeler and then-current market conditions, we anticipate the financing could take place as early as early- to mid-November 2015.

SUBSEQUENT BOARD MEETINGS

At the first regular Board meeting following the sale of the bonds, we would provide a brief presentation to the Board on the outcome of the sale. This could occur as quickly as the November 2015 regular meeting.

APPROACH PENDING AMEC FOSTER WHEELER'S PROJECT LIST

Until Amec Foster Wheeler is able to complete its prioritized project list (largely dependent upon the USACE completing its own internal review over the summer), our approach is to assume that the Council will need every dollar we can generate from this initial sale to implement 500-year protection projects.

As we presented to the Board during the summer of 2014, we do not expect the current borrowing capacity of the Council to be sufficient to accomplish all 500-year level project goals immediately. As such, we will be pursuing a path that will allow us to prudently maximize the initial borrowing while ensuring that the Council's path to additional future financings is maintained.

Our August 2014 report contemplated the issuance of \$70 to \$75 million in bonds across two series: (1) a series with an equal lien to ("on a parity with") the Council's 2010 Bonds; and (2) a series of bonds issued under a new subordinate lien tier. The actual amount to be raised may vary from this estimate based upon market conditions, rating agency cooperation, investor appetite for bonds under the new lien tier and other factors, but we continue to believe this is a reasonable estimate. One component of our underwriting RFP will be to seek input from respondents on this planned approach and to seek other competing ideas and strategies to maximize bond issuance in this financing.

If, given Amec Foster Wheeler's project guidance this fall, a lesser amount of bond proceeds is required, we will easily be able to amend our course to accommodate a smaller financing at that time.

We remain hopeful that the very advantageous interest rates currently available in the municipal market will persist; one component of our analysis will be evaluating the potential costs and benefits of moving more quickly on the financing than the project schedule might require in order to take advantage of historically low rates.

Please let me know if you have any questions or concerns.

DRAFT

TRANSACTION CALENDAR



Southwestern Illinois Flood Prevention District Council
Sales Tax Revenue Bonds
Senior Series 2015-A & Subordinate Series 2015-1

MAY

5/18 (week of)	Small Group Kick-Off Call (following May Board meeting)	BC, FA, SWIL
5/25	Memorial Day	HOLIDAY

JUN

6/1	Bond Sale Resolution: Draft Circulated	BC
6/8	Bond Sale Resolution: Comments Due	ALL
6/10	Bond Sale Resolution: Provided to SWIL For Inclusion in Board Packet	BC
6/17	SWIL Board Meeting: Approve Bond Sale Resolution	SWIL

JUL

7/4	Independence Day	HOLIDAY
7/6	Underwriting RFP: Draft Circulated For Working Group Comment	FA
7/13	Underwriting RFP: Comments Due	ALL
7/17	Underwriting RFP: Distribution to Market	FA
7/31	Underwriting RFP: Responses Due	UW

AUG

8/5	Underwriting RFP: Summarize & Evaluate Responses	FA
8/17	Legal Documents & POS: Draft I Circulated	BC
8/19	SWIL Board Meeting: Underwriting Team Selected	SWIL
8/31	Legal Documents & POS: Draft I Comments Due	ALL

SEP

9/7	Labor Day	HOLIDAY
9/8	Legal Documents & POS: Circulate Draft II	BC
9/16	SWIL Board Meeting	SWIL
9/21	Legal Documents & POS: Draft II Comments Due	ALL
9/30	U.S. Army Corps of Engineers Releases IDR	USACE

OCT

10/5	Legal Documents & POS: Circulate Draft III	BC
10/19	Legal Documents & POS: Draft III Comments Due	ALL
10/21	SWIL Board Meeting: Decision to Proceed with Projects Included in IDR & Adoption of Parameters Resolution	SWIL
10/30	Provide Pre-Pricing Cash Flows For Preliminary Official Statement	FA

NOV

11/2	POS: Circulate Final Draft	BC
11/9	POS: Final Draft Comments Due	ALL
11/9	Bond Rating Deadline	S&P
11/10	POS: Posted	BC
11/11	Veterans Day	HOLIDAY
11/17	Negotiated Bond Sale	SWIL, FA, UW
11/18	SWIL Board Meeting	SWIL
11/19	OS: Draft Circulated	BC
11/23	OS: Comments Due	ALL
11/24	OS: Posted	BC
11/26	Thanksgiving Day	HOLIDAY

DEC

12/15	Bond Closing	SWIL, BC, FA, UW
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Responsible Parties

SWIL: Southwestern Illinois Flood Prevention District Council
FA: Financial Advisor (Columbia Capital Management)
BC: Bond Counsel (TBD)
UW: Underwriter (TBD)
USACE: U.S. Army Corps of Engineers
S&P: Rating Agency (Standard and Poor's)

KEY

Docs/OS Circulated For Comment
SWIL Board Meeting
Bond Pricing/Closing
Federal Holiday



TRANSACTION CALENDAR



Southwestern Illinois Flood Prevention District Council

Sales Tax Revenue Bonds

Senior Series 2015-A & Subordinate Series 2015-1

JUL

7/4	Independence Day	HOLIDAY
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7/13	Underwriting RFP: Comments Due	ALL
7/17	Underwriting RFP: Distribution to Market	FA
7/31	Underwriting RFP: Responses Due	UW

AUG

8/3	Monroe County Board Meeting (8:00 AM)	CNTY
8/5	Underwriting RFP: Summarize & Evaluate Responses	FA
8/17	Legal Documents & POS: Draft I Circulated	BC
8/17	Monroe County Board Meeting (8:00 AM)	CNTY
8/19	SWIL Board Meeting: Underwriting Team Selected	SWIL
8/19	Madison County Board Meeting (5:00 PM)	CNTY
8/31	Legal Documents & POS: Draft I Comments Due	ALL
8/31	St. Clair County Board Meeting (7:30 PM)	

SEP

9/7	Labor Day	HOLIDAY
9/8	Legal Documents & POS: Circulate Draft II	BC
9/8	Monroe County Board Meeting (8:00 AM)	CNTY
9/16	SWIL Board Meeting	SWIL
9/16	Madison County Board Meeting (5:00 PM)	
9/21	Legal Documents & POS: Draft II Comments Due	ALL
9/21	Monroe County Board Meeting (8:00 AM)	CNTY
9/28	St. Clair County Board Meeting (7:30 PM)	CNTY
9/30	U.S. Army Corps of Engineers Releases IDR	USACE

OCT

10/5	Monroe County Board Meeting (8:00 AM)	CNTY
10/5	Legal Documents & POS: Circulate Draft III	BC
10/19	Legal Documents & POS: Draft III Comments Due	ALL
10/19	Monroe County Board Meeting (8:00 AM)	CNTY
10/21	SWIL Board Meeting: Decision to Proceed with Projects Included in IDR & Adoption of Parameters Resolution	SWIL
10/21	Madison County Board Meeting (5:00 PM)	CNTY
10/26	St. Clair County Board Meeting (7:30 PM)	CNTY
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11/11	Veterans Day	HOLIDAY
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11/17	Negotiated Bond Sale	SWIL, FA, UW
11/18	SWIL Board Meeting	SWIL
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USACE: U.S. Army Corps of Engineers
S&P: Rating Agency (Standard and Poor's)
AFW: Engineer (Amec Foster Wheeler)
CNTY: Madison/Monroe/St. Clair Counties

KEY

Docs/OS Circulated For Comment ●
 SWIL Board Meeting ●
 County Board Meeting ●
 Bond Pricing/Closing ●
 Federal Holiday ●