



MINUTES OF SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

October 14, 2021

Pursuant to proper notice and RCW42.30.80, a special meeting was called to order at 10:05 a.m. by Board President Patricia Hale. The meeting was held in a hybrid format. Commissioners and staff had the option to attend in person or by call in. Members of the public were invited to attend via conference call.

Commissioners Participating

Commissioner Patricia Hale, President
Commissioner Charlotte Haines, Secretary

Staff Participating

Diane Pottinger, District Manager
Kern Maresca, Director of Finance
Denny Clouse, Director of Operations/Engineering
Max Woody, Director of Operations/Engineering
(Via Phone)
Theresa Harrington, Executive Assistant

PUBLIC COMMENT

Members of the public were invited to participate by telephone conference call. The dial-in number was posted at the drive-up window at the District administrative offices and posted with the agenda on the District website. District financial consultant Jim Blumenthal (Martin, Nelson, and Company) and District bond counsel Cynthia Weed (K&L Gates) were present on the call for the bond discussion. No additional members of the public were present on the call.

NEW BUSINESS

a. Authorizing the Issuance of a Water Revenue Refunding Bond of the District

Director of Finance, Kern Maresca, updated the Board. The District's bid invitation went to 10 local community banks for rates and terms on a ten-year term loan to refinance the 2011 Water Revenue Bonds. The invitation was sent on September 22 with a response date of October 12. Mr. Maresca reported that five banks responded with terms for the loan product. Jim Blumenthal of Martin, Nelson and Company then presented to the Board the details of the proposals received. The proposal from Capital One Bank provided the District with the highest net value savings percentage of 8.08% over the term on the loan. According to industry standards, this is considered more than extraordinary savings for a refinance option. Commissioners and staff reviewed and discussed the proposals. Bond counsel Cynthia Weed and financial consultant Jim Blumenthal answered questions. Commissioner Hale made a motion to award the refinancing of the 2011 Water Revenue Bonds to Capital One Bank. Commissioner Haines seconded the motion and the motion passed.

Ms. Weed and Mr. Blumenthal discussed the next steps in the process. Upon award, Capital One Bank will run the credit checks required for this loan. As soon as credit approval is received, Ms. Weed will finalize the bond resolution document which will be presented to the board for approval and signature at the next regular board meeting or a subsequent special meeting depending on the timeline for the credit approval process. Closing of the loan is anticipated by the end of October.

Commissioner Hale concluded the meeting at 10:51 a.m.

The next regular meeting of the Board will be on Tuesday, October 19, at 3:00 p.m. in a hybrid remote/in-person format.

Patricia M. Hale

Ron Ricker

Charlotte Haines