

# Rancho Adobe Fire Protection District

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**NOTICE & AGENDA OF THE SPECIAL BOARD MEETING  
SEPTEMBER 23, 2021 — 5:30 P.M.  
COTATI FIRE STATION - #1 EAST COTATI AVE.  
COTATI, CALIFORNIA**

**I. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE**

President, Mark Hemmendinger, called the Regular Board Meeting to order at 5:30 p.m. The agenda for this meeting was posted on September 21, 2021.

Roll Call:

Directors Present: Mark Hemmendinger, Michael Gadoua, Leslie Cozad, Bret Herman, Ray Peterson, Brian Proteau, Carla Grube

Directors Absent: Brian Proteau

Minutes Conducted by: Jennifer Bechtold

**II. ORAL AND WRITTEN COMMUNICATIONS**

A. Citizen Business/Public Comments on Items not appearing on Agenda

There was no citizen business.

**III. NEW BUSINESS**

A. Resolution R-4: Authorizing the Issuance of Series 2021 Taxable Revenue Bonds to Refund Certain Pension Obligations of the District; Approving the Forms of and Authorizing and Directing Execution and Delivery of an Indenture of Trust, Irrevocable Payment Instructions, Bond Purchase Agreement and Continuing Disclosure Certificate; Approving the Form of the Corresponding Official Statement and the Distribution thereof; and Providing for Other Matters Properly Relating Thereto

Mr. Hemmendinger introduced Mr. Cameron Weist and Mr. Jeff Meyer who are members of our UAL team. Mr. Weist commented the intent of this Special Meeting is to authorize the legal documents necessary to move forward with the purchase of the bonds. These documents are agreements between the District and Trustee that we will pay for the bonds. The trustee then pays the investor after we make our semi-annual payments. Mr. Weist also noted there is a disclosure policy included which directs us to report certain items yearly, including our approved audit report.

Resolution R-4 adopts all of the forms enclosed in Board packets.

Mr. Hemmendinger said he and Mrs. Bechtold have been working with our consultants throughout this process and we have had repeated input to these

documents to ensure there are no material errors. He also stated the Board needs to ensure everything is memorialized in our policies and procedures for the future.

Mr. Meyer noted that we will be getting our rating from S&P tomorrow morning and it will then be published on September 27. He commented that our credit rating drives the cost of our bonds and the interest rates. At the beginning of the process, the UAL team ran an indicative review of our credit rating based on our agencies in the area. At that time, we had an AA rating. Mr. Meyers said \$5,875,000 is approximately the purchase amount for the bonds. Our first interest payment will be February 2022, and principal and interest will be due in August 2022. This will be the payment schedule each year going forward. Mr. Meyer said the average interest rate was 2.99%, which included 25 basis points. This totals \$1.8 million in interest and 7.7\$ million in debt service over the 20-year term. Mr. Meyer continued that initially, there was to be no negative savings throughout the 20-year term, but at the last moment, they changed up how they are marketing this. Remitting our first interest payment in February 2022 for \$44K makes our bond purchase more marketable. We are only paying off 90% of our UAL so we still need to pay off the 10%. The savings over the 20-year bond term will be \$2,280,000. We may save more if our rating ends up close to the indicative rating. The Published Operating Statement will be sent out on Monday, September 27. On October 4, there will be a pre-pricing meeting with just the UAL team. Then on Tuesday the 5<sup>th</sup>, we go to market. On the 6<sup>th</sup>, the UAL team will present the best options and we go from there.

Mr. Weist noted that our consultants are working on our side to ensure that we are getting the best interest rates and will advise Mr. Hemmendinger and Mrs. Bechtold what they suggest we do following the rates we receive on October 4.

Motion moved by Mr. Gadoua to adopt Resolution R-4 and seconded by Mrs. Cozad.  
Motion Carried: Aye   6   No   0   Abstain   0   Absent   1  

Roll Call:

Mr. Peterson – aye  
Mrs. Cozad – aye  
Mr. Herman – aye  
Mr. Proteau – absent  
Mr. Hemmendinger – aye  
Mr. Gadoua – aye  
Mrs. Grube - aye

**VIII. ADJOURNMENT**

With no further business to discuss, the Regular Board meeting was adjourned at 6:12 p.m.

Motion moved by Mrs. Cozad and seconded by Mr. Gadoua.  
Motion Carried: Aye   6   No   0   Abstain   0   Absent   1  

Date Approved:   10/20/2021