

OREGON WATER WONDERLAND UNIT II SANITARY DISTRICT

55841 SWAN RD, BEND OR 97707

www.oww2sd.com

**Meeting Minutes
Board of Directors – Special Meeting
April 4, 2023 - 10:00 a.m.**

Call to Order - Roll Call: Jerry Preston called the meeting to order at 10:00 a.m. Members present; Jeff Okamoto, Dan DeHaven and Ricky Keller. Members absent; None. **District Employees:** Reed Campbell and Ellie Davis **Visitors:** Matt Donahue (D.A. Davidson).

Refinance Options with D.A. Davidson

Matt Donahue from D.A. Davidson made introductions to everyone. With the information provided to him regarding the refinance (graduation) from USDA, in today’s market he foresees a breakeven scenario. The district would refinance and pay off USDA with a new bond issue with the revenue of the district. Moving forward we would not be required to have a reserve fund, as it is currently a requirement with USDA. The reserve funds could be contributed towards paying down the debt service. Other options to consider are to keep some of the reserve funds and use some to pay down the debt service. New debt service payments would likely be semi-annual rather than annual payments. The final maturity date of USDA loans would be in July of 2038. The firm would put together a working group and bond counsel. Matt provided more explanation on how the investors play a role in the bonds process, which may also include banks and other smaller investors.

Going forward, we will also be provided with bank rates and terms vs going with just bonds. Matt added that the firm has done many of these types of refinancing over the years and is familiar with the process. The typical schedule runs 8-10 to completion. To begin the process D.A. Davidson will send over a preliminary engagement letter for services. Jerry made a motion to begin preliminary paperwork with D.A. Davidson. Ricky seconded the motion, the motion carried unanimously.

Jerry proposed he be designated as Chairman rather than President. Jeff made a motion that the title be modified from President to Chairman. Ricky seconded the motion, the motion carried unanimously.

Adjourn: The meeting was adjourned by Chairman Jerry Preston at 10:38 p.m. The time and place of the next meeting is at 10:00 a.m. on Thursday April 20, 2023 at the District Office.

Jeff Okamoto
Secretary

5/18/2023
Date