



VILLA GRANDE

Domestic Water Improvement District

Note: All meeting minutes are posted for informational purposes only. The board of directors does not ratify meeting minutes until the next scheduled board meeting.

Minutes

September 24, 2020 • Special Meeting

Call to Order: Bernie Vargas called the meeting to order at 7:02 pm

Directors Roll Call: Present were Allen Grant, Cauy Washburn and Bernie Vargas. Terry Eickstaedt and Ray Roerdink were absent.

Call to the audience: None present to address the board.

Discussion/Action: Proposed Borrowing Resolution 2020-09 for WIFA Loan: As the board was aware, the two Resolutions that were approved last month were not accepted by WIFA. WIFA asked that specific verbiage be changed. Joni Roerdink was on a conference call with a project specialist that was filling in for our project specialist, Samantha Lemke. Samantha was on vacation and Lindsey Jones was covering for her. Lindsey asked that I be on a conference call later that afternoon. There were two loan officers, Lindsey Jones, and another individual that Joni didn't know. Joni was told by the senior loan officer that we couldn't amend the original loan. Joni was told that since we had taken draws on it, it couldn't be amended. VGDWID would have to apply for a new loan. The senior loan officer stated it was her fault because prior to having Samantha direct us to do the Resolutions to amend the loan, she failed to review if any draws had been taken against the original loan. The draws that VGDWID have taken were for the engineering fees to date. Joni was also told we couldn't make the October board meeting because they didn't have enough time to collect the paperwork and our financials. Joni stated she had submitted all the paperwork including the financials in August at the same time the Resolutions were submitted. She claimed she never received the current financials. She kept saying it was fairly certain that we couldn't be placed on the October agenda. She said it would be pushed to the December agenda. Joni was also told earlier that day that she would have to prepare another PPL (Project Priority List) since it would be a new loan. As soon as Lindsey had sent it, Joni completed it immediately. It was completed and submitted during the conference call and Joni received the response that it had been submitted. Joni was told that as soon as the PPL was completed, Joni would be sent an application for the new loan. Joni didn't receive it until 11 days later. Joni spent 60+ hours compiling all the information, completing the application, and submitting the supporting documentation requested.

Joni then received an email from our loan officer stating that they had had a meeting with their Executive Director and he had approved them to send Joni the application and to try and get VGDWID on the October Board Meeting. It was agreed to accelerate our application process to present to the Board in October. Joni worked with Dan Dialessi last year when we filed the original loan. They wouldn't promise October but if not, it will be the December 23, 2020 meeting. The only document not provided was the Borrowing Resolution presented here tonight. Dan Dialessi allowed the loan application to be completed prior to receiving the borrowing resolution. Another Resolution will need to be completed but not until after the WIFA board meets and the loan is approved.

Our attorney, Stephen Cooper and Joni had met and discussed the issues that needed to be addressed. The draft of the Resolution 2020-09 the board is reviewing this evening has been submitted and approved by WIFA and their bond attorney. Joni was hoping to save VGDWID legal fees and the VGDWID board members time before having the approved Resolution finalized and submitted to WIFA. Their bond attorney had made several changes again and Stephen updated those changes. VGDWID's largest concern was rescinding the previous resolution in July 2019 which would have affected the original loan. All changes and updates have been completed between WIFA and VGDWID. We didn't rescind the previous Resolution approved in August 2020 by the VGDWID Board of Directors. WIFA just didn't accept it. Resolution 2020-09 has been reviewed and approved by their bond attorney and Stephen Cooper. The final revision is what has been presented to the board tonight for approval.

VGDWID was also concerned about the terms for the new loan and the Consent Order Draft #2 and if we would still be in compliance with the timeline. Joni reached out to Stephanie Diaz. Stephanie submitted an unsigned copy of the drafted Consent Order and WIFA was fine with it. The Consent Order #2 has been signed and submitted to all parties. In respect to the terms for the new loan, our loan officer said the terms should be similar but they will not be identical to the original loan. This is partly due to the formula to determine the forgivable principal will not yield the same percentage when applied to a larger loan amount. It should be close. In addition, the interest rate may end up being slightly different (+/-) a fraction of a percent.

A motion was made by Allen Grant to approve and ratify the Borrowing Resolution 2020-09 as written and seconded by Cauby Washburn. Vote unanimous 3-0. Motion carried.

Adjournment: The Agenda being completed; Bernie Vargas adjourned the meeting at 7:15 pm.

Date _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauby Washburn

Terry Eickstaedt