

# KLICKITAT COUNTY FIRE DISTRICT 3

200 Husum Street, Husum, WA 98623

## Special Meeting

Monday June 20 2016

Minutes

The Commissioners of KCFD3 held a meeting

### To discuss and take action on the current situation of the Ambulance

Call to order **09:06**

- **Attendance:** Chair Commissioner Zoller Commissioner Connor (vice Chair), Commissioner Montag, (Quorum), Chief Long.  
**Absent:**, Secretary Plumb.
- **Approval of agenda:** *Motion to approve the agenda made by Commissioner Montag, seconded by Commissioner Connor. (3 yay, 0 nay).*

#### Discussion:

No public present.

Chief Long assured the Board that attorney Brian Snure and County Treasurer Greg Gallagher are fully involved with this ambulance purchase. He also said that should the Commissioners decide to move forward with the required documents, then he would drive the signed documents to Greg Gallagher personally after the meeting, for his signature.

Chief Long also noted that Attorney Brian Snure had reviewed the web site and confirmed the public notice was in order to meet the requirements of Open Public meetings. Mr. Snure would also require copies of the e-mails notifying the commissioners and the agenda, for the records in order to complete the attorney's verification for the bond.

At this time an error was noted on the agenda – it stated “*Thursday* June 20<sup>th</sup> 2016” and was corrected to “*Monday* June 20<sup>th</sup> 2016”.

The Commissioners all commented that they had reviewed all the documents sent to them and were content with the financing from Cashmere Valley Bank. It meets the criteria they had specified in previous meetings. The amount financed is \$150,000, the interest rate is 2%, and there will be no penalty for paying off early. It is a 3 year term in arrears (first payment will be in 2017).

**The term documents from Cashmere Valley Bank** were reviewed – Financing for \$150,000, 2% interest rate and maturity date in 2019. The bond cannot be sold, but it is transferable if the bank wishes to sell the bond (the terms would not change in this event). The fees are \$500.00. Chief Long noted that the document stated the district will be responsible for ‘draft document fees’ which may not to be included in the \$500 fee. The amortization table clearly outlines the dates and amounts of payments (payments in June are for principle and interest, payments in December are for interest only. Financial statements are to be submitted annually. Target date of closing is June 30<sup>th</sup> 2016.

**Motion to approve the term documents submitted by Cashmere Valley Bank made by Commissioner Montag, Seconded by Commissioner Connor, (3 yay, 0 nay). Commissioner Zoller signed the document.**

**Resolution 2016-15 [continuation] from Attorney Brian Snure.**

The resolution to be signed at this meeting is a continuation of Resolution 2016-15, which authorizes the entire process.

It was noted the at the signature page required secretary Plumb to sign. In her absence Chief Long was appointed to sign.

**Motion to authorize Chief Long to sign the resolution, instead of the District Secretary Rozalind Plumb, who is out on vacation, made by Commissioner Connor, seconded by Commissioner Montag. (3 yay, 0 nay).**

The Commissioners all stated they had reviewed the resolution submitted by Attorney Brian Snure, and had no questions or concerns.

**Motion to approve the resolution 2016-15 made by Commissioner Montag, seconded by Commissioner Connor (3 yay, 0 nay). Resolution signed.**

Chief Long commented – in the packet for completion of the loan, were with several documents requiring additional signatures. To avoid any special meeting requirements, Chief suggested confirmation from the Board to authorize Commissioner Zoller or the Secretary, or whoever is appointed in her absence to be able to completed the transaction without further delays provided it remains within the criteria set by the board.

**Commissioner Connor, made the motion regarding the purchase of this ambulance, and not going outside of what the Commissioners have already agreed to, Commissioner Zoller as Chairman has the authority to sign any additional documents, Chief Long has the authority to sign any additional documents, and secretary Plumb has the authority to sign any additional documents in regard to purchasing this ambulance. Seconded by Commissioner Montag. (3 yay, 0 nay).**

**Motion to adjourn the meeting og June 20<sup>th</sup> 2016 made by Commissioner Montag, Seconded by Commissioner Connor, (3 yay, 0 nay).**

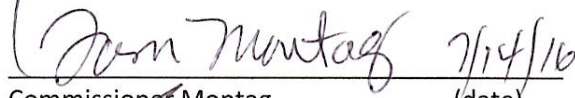
Meeting adjourned : 09:23

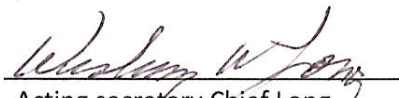
**APPROVED BY:**

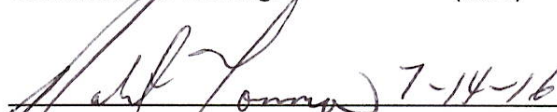
**Attest:**

  
\_\_\_\_\_  
Chairman - Commissioner Zoller. (date)

\_\_\_\_\_  
absent  
District Secretary Rozalind Plumb

  
\_\_\_\_\_  
Commissioner Montag. (date)

  
\_\_\_\_\_  
Acting secretary Chief Long

  
\_\_\_\_\_  
Commissioner Connor (date)

**Thursday June 9th, 2016 at 5:45pm**

**AGENDA**

**Special Meeting**

**The Commissioners of KCFD3 will meet**

**To discuss and take action on the  
resolutions and other items as needed to  
purchase the 2016 Ambulance**

- **Open Meeting:** Call to order.
- **Approval of agenda (A)**
  
- **Attendance:**
  
- **DISCUSSION:** Status of ambulance emergency purchase. Ambulance 'final cost from vendor'.  
And status of financing options.
- Review resolution 2016-13 in relation to the minutes of the 5/23 special meeting.
- Review resolution 2106-14 authorizing non-voter approved indebtedness.
  
- **ACTION ITEMS:**
  - (A) Commissioners to clarify the dollar amount needed to purchase the ambulance.
  
  - (A) Commissioners to take any action needed to proceed with the ambulance purchase.
  
- **Motion to adjourn: (A) Time \_\_\_\_\_**

FIRE PROTECTION DISTRICT NO. 3  
Klickitat County, Washington

RESOLUTION NO. 2016-15

A RESOLUTION of the Board of Fire Commissioners of Fire Protection District No. 3, Klickitat County, Washington, relating to contracting indebtedness; providing for the issuance, specifying the maturity, interest rates, terms and covenants and fixing the form of a \$150,000 par value Limited Tax General Obligation Bond, 2016, to provide funds for purpose of purchasing a new ambulance; and approving the sale and providing for the delivery of the bond to Cashmere Valley Bank.

ADOPTED: June 20, 2016

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WHEREAS, Fire Protection District No. 3, Klickitat County, Washington (the "District"), is in need of purchasing and equipping an ambulance, the estimated cost of which is \$150,000 and the District does not have available sufficient funds to pay the cost; and

WHEREAS, the District Board of Commissioners declared an emergency to waive the competitive bid laws at its May 12, 2016 regular meeting and its May 23, 2016 special meeting relating to the unexpected major engine failure of the District's existing Ambulance.

WHEREAS, The District has identified a suitable replacement Ambulance that is immediately available once funds are available.

WHEREAS, under the laws governing the limitation of indebtedness, the District currently may issue and it has need for the proceeds of \$150,000 par value of limited tax general obligation bond; and

WHEREAS, the District is authorized, pursuant to RCW 52.16.061, to incur indebtedness and issue a limited tax general obligation bond for the purpose of providing funds to pay the costs of the Project and costs of issuance; and

WHEREAS, Cashmere Valley Bank of Cashmere, Washington (the "Bank") has presented an offer to purchase the Bond under the terms and conditions set forth in the Commitment Letter, defined herein, and the Board wishes to accept such offer; NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF FIRE PROTECTION DISTRICT NO. 3, KLICKITAT COUNTY, WASHINGTON, as follows:

Section 1.    Definitions.    As used in this resolution, the following words shall have the following meanings:

"Bank" means Cashmere Valley Bank of Cashmere, Washington.

"Board" means the Board of Fire Commissioners of the District.

"Bond" means the Limited Tax General Obligation Bond, 2016, of the District in the principal amount of \$150,000, which is authorized to be issued by this resolution.

"Bond Fund" means that special fund of the District previously created by statute and designated as the General Obligation Bond Fund.

"Bond Registrar" means the Treasurer.

"Closing Date" means on or before June 30, 2016

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment Letter" means the written offer of the Bank dated June 20, 2016 proposing to purchase the Bond.

"District" means Fire Protection District No. 3, Klickitat County, Washington.

"Interest Payment Date" means June 1 and December 1 of each year, commencing June 1, 2017.

"Maturity Date" means June 1, 2019.

"Principal Payment Date" means June 1, beginning June 1, 2017.

“Project” means the acquisition and equipping a new ambulance and any other lawful District purpose.

“Treasurer” means the Treasurer of Klickitat County, Washington, *ex officio* treasurer of the District.

Section 2. Authorization of the Bond. The District shall issue and sell its \$150,000 par value limited tax general obligation bond for the purpose of the Project and to pay the costs of issuance and sale of the bond.

Section 3. Description of Bond. The bond shall be called Limited Tax General Obligation Bond, 2016, of the District (the “Bond”); shall be in the aggregate principal amount of \$150,000, shall be dated its date of delivery; shall be numbered R- 1; shall mature on its Maturity Date; shall be in fully registered form; and shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the rate of 2.00% per annum from the Closing Date to and the Maturity Date or earlier prepayment. Interest shall be due on the Interest Payment Dates, and principal due on the Principal Payment Dates as follows:

June 1, 2017	\$49,000
June 1, 2018	\$49,700
June 1, 2019	\$51,300

At Maturity Date, any remaining outstanding principal balance and accrued interest on the Bond shall be due and payable in full.

The Board of Fire Commissioners of the District finds that the fixing of the above interest rates is in the best interest of the District. The life of the equipment to be acquired with the proceeds of the Bond exceeds the term of the Bond.

Section 4. Registration and Transfer of Bond. The Treasurer shall serve as Bond Registrar for the Bond. The Bond shall be issued to the Bank only in registered form as to both

principal and interest and shall be recorded on books or records maintained by the Treasurer (the "Bond Register"). The Bond Register shall contain the name and mailing address of the owner of the Bond.

The Bond may be assigned or transferred only in whole by the Bank to (i) a successor to the business or assets of the Bank or (ii) a qualified investor as defined in Rule 144A of the Securities Act of 1933. The Bond may be assigned or transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the District, owner or transferee. The Bond Registrar shall not be obligated to exchange or transfer the Bond during the 15 days preceding any Interest Payment Date. When the Bond has been paid in full, both principal and interest, the Bond shall be surrendered by the registered owner to the Bond Registrar, who shall cancel the Bond.

Section 5.     Bond Registrar. The Bond Registrar shall keep, or cause to be kept, at its office, sufficient books for the registration and transfer of the Bond, which shall be open to inspection by the District at all times. The Bond Registrar is authorized, on behalf of the District, to authenticate and deliver the Bond exchanged in accordance with the provisions of the Bond and this resolution, to serve as the District's paying agent for the Bond, and to carry out all of the Bond Registrar's powers and duties under this resolution.

Section 6.     Payment of Bond. Installments of principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid on the Interest and Principal Payment Date by check, draft, or electronic transfer of the Bond Registrar to the registered owner on the Bond Register, except that the last installment of principal, plus interest, shall be payable upon presentation and surrender of the Bond by the registered owner at the office of the Bond Registrar.



Section 7.     Failure to Pay Installments or Redeem the Bond. If any interest or principal payment is not paid when due or the Bond is not redeemed when properly presented at its redemption date, the District shall be obligated to pay interest on the Bond at the same rate provided in the Bond, until that installment, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund and the Bond has been called for redemption.

Section 8.     Redemption Provisions and Prepayment Penalty. The District reserves the right and option to prepay and redeem the Bond prior to its Maturity Date, at any time, in whole or in part, without a prepayment fee or penalty, at par plus accrued interest to the date of redemption. The District shall provide the registered owner and the Bond Registrar with written notice of any intended prepayment at least fifteen (15) days prior to such prepayment date. At any time there is a partial prepayment, the remaining annual principal payments shall be recalculated as mutually agreed upon, in writing, by the District and the registered owner of the Bond to reflect either a reduction in the semiannual installment payment amount or an earlier Maturity Date of this Bond. Such recalculated payment schedule shall be provided by the registered owner to the District and the Bond Registrar within seven (7) business days following any prepayment and shall be effective on the next scheduled Installment Payment Date.

Section 9.     Pledge of Taxes. For as long as the Bond is outstanding, the District irrevocably pledges to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of the electors of the District on all of the taxable property within the District, except those lands within the District that are now paying or hereafter are required to pay only forest protection assessments, in an amount sufficient, together with other money legally available and to be used therefore, to pay when due the principal of and interest on the Bond, and the full faith, credit and resources of the District are pledged irrevocably

for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

Section 10. Form and Execution of the Bond. The Bond shall be printed on good bond paper in a form consistent with the provisions of this resolution and state law, shall be signed in the corporate name of the District by the Chairman of the Board of Fire Commissioners and Secretary of the Board of Fire Commissioners of the District, either or both of whose signatures may be manual or in facsimile, and the seal of the District or a facsimile reproduction thereof shall be impressed or printed thereon.

The Bond shall bear a Certificate of Authentication in the following form, manually signed by the Bond Registrar, and shall be valid or obligatory for any purpose or entitled to the benefits of this resolution:

#### CERTIFICATE OF AUTHENTICATION

This Bond is the fully registered Fire Protection District No. 3, Klickitat County, Washington, Limited Tax General Obligation Bond, 2016, described in the Bond Resolution.

By \_\_\_\_\_  
Bond Registrar

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose facsimile signature appears on the Bond ceases to be an officer of the District authorized to sign bonds before the Bond bearing his or her facsimile signature is authenticated or delivered by the Bond Registrar or issued by the District, the Bond nevertheless

may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the District as though that person had continued to be an officer of the District authorized to sign bonds. The Bond also may be signed on behalf of the District by any person who, on the actual date of signing of the Bond, is an officer of the District authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bond.

Section 11. Preservation of Tax Exemption for Interest on Bond. The District covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the District treated as proceeds of the Bond at any time during the term of the Bond that will cause interest on the Bond to be included in gross income for federal income tax purposes. The District certifies that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

Section 12. Small Governmental Issuer Arbitrage Rebate Exception and Designation of Bond as "Qualified Tax-Exempt Obligations." The District finds and declares that (a) it is a duly organized and existing governmental unit of the State of Washington and has general taxing power; (b) no Bond, which is part of this issue of Bond, is a "private activity bond" within the meaning of Section 141 of the United States Internal Revenue Code of 1986, as amended (the "Code"); (c) at least 95% of the net proceeds of the Bond will be used for local governmental activities of the District (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the District); (d) the aggregate face amount of all tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) issued by the District and all entities subordinate to the District (including any entity that the District controls, which derives its authority to issue tax-exempt obligations from the District or that issues tax-

exempt obligations on behalf of the District) during the calendar year in which the Bond is issued is not reasonably expected to exceed \$5,000,000; and (e) the amount of tax-exempt obligations, including the Bond, designated by the District as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000. The District therefore certifies that the Bond is eligible for the arbitrage rebate exception under Section 148(f)(4)(D) of the Code and designates the Bond as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code.

Section 13. Refunding or Defeasance of the Bond. The District may issue refunding bonds pursuant to the laws of the State of Washington or use money available from any other lawful source to pay when due the principal of and interest on the Bond, or any portion thereof included in a refunding or defeasance plan, and to redeem and retire, refund or defease all such then-outstanding Bond (hereinafter collectively called the "defeased Bond") and to pay the costs of the refunding or defeasance. Provided that "government obligations" (as defined in chapter 39.53 RCW, as now or hereafter amended) maturing at a time or times and bearing interest in amounts (together with money, if necessary) sufficient to redeem and retire, refund or defease the defeased Bond in accordance with their terms are set aside in a special trust fund or escrow account irrevocably pledged to that redemption, retirement or defeasance of defeased Bond (hereinafter called the "trust account"), then all right and interest of the owners of the defeased Bond in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bond shall cease and become void. The owner of the defeased Bond shall have the right to receive payment of the principal of and interest on the defeased Bond from the trust account. The District shall include in the refunding or defeasance plan such provisions as the District deems necessary for the notice of the defeasance to be given to the owner of the defeased Bond and to such other persons as the District shall determine, and for any required replacement of the Bond certificate

for the defeased Bond. The defeased Bond shall be deemed no longer outstanding, and the District may apply any money in any other fund or account established for the payment or redemption of the defeased Bond to any lawful purposes as it shall determine.

Section 14. Bond Fund and Deposit of Bond Proceeds. The Treasurer is authorized and directed to deposit in the Expense Fund of the District (or such construction or acquisition fund as the Board of Fire Commissioners hereafter may create by resolution) the principal proceeds received from the Bond purchaser to be used for the purposes specified in Section 2 of this resolution. Until needed to pay the costs of the Project and costs of issuance of the Bond, the District may invest principal proceeds temporarily in any legal investment, and the investment earnings may be retained in the Expense Fund and be spent for the purposes of that fund. All taxes collected for and allocated to the payment of the principal of and interest on the Bond shall be deposited in the Bond Fund.

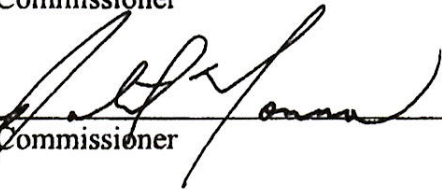
Section 15. Approval of Offer. Cashmere Valley Bank of Cashmere, Washington, has presented an offer to the District to purchase the Bond under the terms and conditions provided in the Commitment Letter, which is on file with the Secretary of the Board of Fire Commissioners of the District and is hereby incorporated herein by this reference. The Board of Fire Commissioners of the District finds that accepting the Commitment Letter is in the District's best interest and therefore accepts the terms and conditions contained therein. The District covenants with the Bank that it will provide its annual financial report to the Bank for as long as the Bond remains outstanding. The Bank shall be paid a fee of \$500 upon delivery of the Bond. The Bond will be printed at District expense and will be delivered to the purchaser in accordance with the Commitment Letter.

The proper District officials are authorized and directed to do everything necessary for the prompt delivery of the Bond to the purchaser and for the proper application and use of the proceeds of the sale thereof.

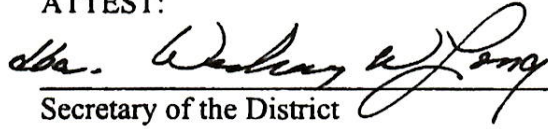
ADOPTED by the Board of Fire Commissioners of Fire Protection District No. 3, Klickitat County, Washington, at a special open public meeting thereof this 20 day of June, 2016, the following Commissioners being present and voting in favor of this resolution:

  
Chairman and Commissioner

  
Commissioner

  
Commissioner

ATTEST:

  
Secretary of the District

CERTIFICATION

I, the undersigned, Secretary of Fire Protection District No. 3, Klickitat County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 2016-15 (the "Resolution") is a full, true and correct copy of a resolution duly adopted at a special meeting of the Board of Fire Commissioners (the "Board") of the District held at the regular meeting place thereof on June 20, 2016, as that resolution appears on the minute book of the District; and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of June, 2016.

FIRE PROTECTION DISTRICT NO. 3  
KLICKITAT COUNTY, WASHINGTON

  
\_\_\_\_\_, Secretary of the District

CERTIFICATE OF KLICKITAT COUNTY TREASURER


I, Greg Gallagher, am the duly elected Treasurer of Klickitat County, Washington, and perform the functions of the County Treasurer as that term is used in Section 12, Chapter 301, Laws of 1994.

1. As Treasurer for purposes of that statute, I hereby waive receipt of the 30-day advance notice of the authorization of the issuance of the \$150,000 par value Limited Tax General Obligation Bond, 2016 (the "Bond"), of Fire Protection District No. 3, Klickitat County, Washington (the "District").

2. I further acknowledge that the District has selected this office to serve as registrar, authenticating agent, paying agent and transfer agent for the Bond.

DATED as of June 23, 2016.

KLICKITAT COUNTY, WASHINGTON

  
\_\_\_\_\_  
Greg Gallagher, County Treasurer