

**CLEARLAKE OAKS COUNTY WATER DISTRICT
AGENDA, CALL AND NOTICE
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

Clearlake Oaks County Water District Administration Building
12952 E. Hwy. 20 Clearlake Oaks, CA 95423 (707) 998-3322

November 26, 2019

This meeting will be conducted by Roberts Rule of Order.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the above address.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits of three minutes.

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Clearlake Oaks County Water District Secretary to the Board at 707-998-3322. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Public comment on non-agenda items

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to three (3) minutes

AGENDA

Call to Order – 10:00 AM

Pledge of Allegiance

Roll Call

- Mrs. Margaret Medeiros, President Mr. Karl Hosier, Vice President Mr. Samuel Boucher, Director
- Mr. Stanley Archacki, Director Mrs. Barbara Higman, Director

- Mrs. Dianna Mann– General Manager Mrs. Olivia Mann - Secretary to the Board

Old Business

- a. Discussion and consideration of authorizing the President of the Board to enter into a five (5) year Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of one (1) Vac-Con, Model # V350LHAP/1000, in the amount of \$409,026.92 from Municipal Maintenance Equipment

Action Taken: _____

- b. Discussion and consideration of Resolution 19-07, Authorizing purchase of Vac-Con

Action Taken: _____

Adjournment

Time: _____



Baystone Government Finance

November 22, 2019

FORMAL PROPOSAL

OBLIGOR: CLEARLAKE OAKS COUNTY WATER DISTRICT

- ✓ This is a finance/ownership contract. No residual value.
- ✓ Fixed interest rate for the five (5) year term.

EQUIPMENT: NEW VAC TRUCK

OPTION 1

Acquisition Cost:	\$409,026.92	Term:	Five (5) years	First Payment Due:	One Month from Close
Down Payment:	\$ 0.00	Payment Mode:	Monthly in Arrears	Payment Amount:	\$7,439.08
Trade In:	\$ 0.00	Interest Rate:	3.490%		
Principal Balance:	\$409,026.92	Rate Factor:	0.018187		

- **This is a proposal only and is not a commitment to finance. This proposal is subject to credit review and approval and proper execution of mutually acceptable documentation.**
- Failure to consummate this transaction once credit approval is granted and the documents are drafted and delivered to Obligor will result in a documentation fee being assessed to the Obligor.
- This transaction must be credit approved, all documents properly executed and returned to Baystone Government Finance and the transaction funded on ALL proposals on or before December 6, 2019. If funding does not occur within that time-frame, or there is a change of circumstance which adversely affects the expectations, rights, or security of Obligee or its assignees, then Obligee or its assignees reserve the right to adjust and determine a new interest rate factor and payment amount, or withdraw this proposal in its entirety.
- This transaction must be designated as tax-exempt under Section 103 of the Internal Revenue Code of 1986 as amended.
- **OBLIGOR'S TOTAL AMOUNT OF TAX-EXEMPT DEBT TO BE ISSUED IN THIS CALENDAR YEAR WILL NOT EXCEED THE \$10,000,000 LIMIT, OR THE INTEREST RATE IS SUBJECT TO CHANGE.**

BAYSTONE GOVERNMENT FINANCE

Linda Tiers ~ ltiers@ksstate.bank
Vice President

CLEARLAKE OAKS COUNTY WATER DISTRICT

Signature

Title

Date

1010 Westloop Place, Manhattan, KS 66502

800.752.3562 ~ Fax: 785.537.4806

LEASE FINANCING PROPOSAL



Lessee

Clearlake Oaks County Water District

Vendor

Municipal Maintenance Equipment

Proposal Date:	November 22, 2019
Equipment Description:	1- Vac-Con Vacuum Truck
Commencement Date:	December 15, 2019
<u>Option 1</u>	
Equipment Cost:	\$409,026.92
Lessee Down Payment:	
Amount Financed:	\$409,026.92
Lease Term:	5 Years
First Payment Date:	1/15/2020
Payment Frequency:	Monthly
Lease Rate:	3.49%
Payment Amount:	\$7,439.08
Payment Factor:	0.01819

Qualifications:

1. **Pricing:** This is a lease proposal for the payment stream(s) indicated above. If any of the information identified above are not correct, please advise us so that we can determine if a new proposal is required. Other important elements of this proposal are:

a) **Rate Expiration:** Signing this proposal does not in itself lock in your rate. This lease must be credit approved, contracts properly signed, and the lease funded by Leasing 2 within thirty days from the date of this proposal to protect the rates quoted.

b) **Closing Costs:** There will be no up-front costs of any kind charged by Lessor including closing costs, points, administrative costs, etc. Your attorney may charge you to review the lease documents and complete the opinion letter required with our lease documentation.

c) **Fixed Rates:** Rates for ten (10) years and under are fixed for the entire term. Terms over ten years have a one time rate adjustment after seven (7) years to the then current interest rates for the remaining term.

2. **Type of Lease:** This is a lease-purchase type of financing. After all the lease payments are made, Lessee will own the equipment without further cost.

3. **Financial Reporting:** All city, county and tax districts (including fire districts) will be expected to provide GAAP audited financial reports. All non-profit corporations (vfd's) will be expected to provide IRS 990 federal tax returns. If you do not maintain these types of financial reports, please contact us to discuss.

4. **Vendor Payable / Escrow Account (where applicable):** In the event that the truck(s) and/or equipment are not ready to be delivered, proceeds of this lease will be held in a vendor payable account until delivery/acceptance. This is a non-interest bearing account to Lessee.

5. **Credit Approval and Documentation:** This is a proposal only, and does not represent a commitment to lease. This financing is subject to credit review and approval and execution of mutually acceptable documentation, including the opinion of lessee's counsel opining that the agreement is legal, valid and binding, obligation of Lessee.

Financing by:

Leasing 2, Inc.

Contact:

Rick Carney

Phone:

813-258-9888 x16

Email:

rcarney@leasing2.com

Web:

www.leasing2.com



REQUEST TO PROCEED:

When you are ready to proceed with Leasing 2 towards finalizing this lease financing arrangement, please indicate so by signing below and completing the requested information. We will immediately email you our application. Thank you for your confidence and consideration.

Proposal date: November 22, 2019

Option Chosen: _____ (where applicable)

Upcoming Governing Body meeting date for lease approval: _____

Clearlake Oaks County Water District

Name of Lessee

Authorized Signature

Date

Printed Name Of Authorized Signature

Title

Dianna Mann

707-998-3372 X103

Contact Name (If Different Than

Contact Phone

Authorized Signature)

d.mann@clowd.org

Last month of your budget year? *June*

Contact E-Mail Address

Please complete the above information and **fax or email** all pages of the proposal to
813-258-9333 / rcarney@leasing2.com



**** Important: A Resolution will be required with the lease contract ****
In the event that you require board action to sign this proposal,
please call us so that we may forward the preferred form for the meeting.

CLEARLAKE OAKS COUNTY WATER DISTRICT

P.O. Box 709, 12952 E. Hwy. 20

CLEARLAKE OAKS, CA 95423

(707) 998-3322

RESOLUTION NO. 19-07

**THE BOARD OF DIRECTORS
OF THE CLEARLAKE OAKS COUNTY WATER DISTRICT**

**A RESOLUTION OF DETERMINATION OF NEED AND APPROVAL AND
AUTHORIZATION FOR THE PRESIDENT OF THE BOARD TO EXECUTE
A CONTRAT BETWEEN LEASING 2 AND CLEARLAKE OAKS COUNTY
WATER DISTRICT TO PURCHASE ONE (1) NEW VAC-CON COMBO
TRUCK ON A FREIGHTLINER CHASIS**

LESSEE: CLEARLAKE OAKS COUNTY WATER DISTRICT

At a duly called special meeting of the governing body of Lessee held on the 26th day of November, the following resolution was introduced and adopted.

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and Leasing 2, Inc., and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement, if applicable, are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver, the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

Mary Margaret Medeiros, President of the Board

(Signature of Party to Execute
Lease-Purchase Agreement and Escrow Agreement)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

THE ABOVE RESOLUTION is hereby passed and adopted by the Board of Directors of the Clearlake Oaks County Water District at a Regular Meeting thereof held on the 21st day of November, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CLEARLAKE OAKS COUNTY WATER DISTRICT

By: _____
Margaret Medeiros, President

Attest: _____
Olivia Mann, Board Secretary

****Please include the following language in your meeting minutes associated with passing this Resolution:**

“(Name of Entity) authorizes (Name or Title of person with authority to sign Agreement) to enter into a (Term of Lease) Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of (Description of Equipment) in the amount of (\$ Amount) purchased from (Name of Vendor).”

Sample Agenda Item or Minutes:

City of XYZ authorizes the City Manager to enter into a 5 year Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of Fire Truck, Vacuum Truck, etc. in the amount of \$500,000 purchased from Vendor Name.