

**HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT  
GOVERNING BOARD MEETING  
APRIL 14, 2021  
PUBLIC SESSION MINUTES**

1. **CALL TO ORDER:** Board Chair Celia Carr called the meeting to order at approximately 3:00 p.m. Due to the COVID 19 Pandemic, the meeting was conducted remotely by telephone conference – with all attendees calling into the conference call.
2. **ROLL CALL OF BOARD MEMBERS:**
  - Celia Carr, Board Chair – Present
  - Sandra McClintock, Vice Chair – Present
  - David Cook, Board Member – Present
  - Bryan Crossley, Treasurer – Present
  - Patti Ferguson, Board Member – Present

All of whom participated in the meeting via telephone conference call, thus constituting a quorum.

Also attending the meeting via telephone conference call were: William R. Whittington, District Attorney of Boyle, Pecharich, Cline, Whittington, and Stallings PLLC (“BPCWS”); and Natalie Galgano-Pinkley, District Bookkeeper/Administrator of Municipal Accounts & Consulting, LP (“MAC”).

3. **CALL TO THE PUBLIC:** A call to the public was made for comments relating to District matters. No public comments were made.
4. **BUSINESS:**
  - A. **Discussion and Possible Action re: approving the WIFA Loan Agreement #920323-21 and Addendums, as modified, together with any exhibits and related documents, and including any escrow instructions or disbursement directions, and the Certificate of Authority and Board Resolution #2021-8 presented in conjunction with the contemplated HPDWID Main Water Transmission Line/Madizell Infrastructure Project, and authorizing the Board Chair and Board Vice-Chair to execute all loan documents associated with the same.** Board Chair Carr first noted that the Loan closing has been moved back to April 23<sup>rd</sup>. The Board Chair sent out several documents to the Board prior to the meeting for their review. She first reviewed the letter from Mr. Whittington – which summarized items to be completed by the various District consultants and Board Members.

The Board Chair reminded the Board they asked Mr. Whittington to review Exhibit H – The Tax Compliance Certificate - yesterday. He did not have time to review the document prior to today’s meeting, but may now have time to review since the closing was pushed back a week.

Today for review and approval there is the Loan Documents, Certificate of Authority and Board Resolution #2021-8. She went through a few items discussed in the Certificate of Authority. She noted a correction to Certificate need to be made in the section regarding the budget adoption – replacing “lease purchase agreement” with “loan agreement”. Mr. Whittington is also going to discuss the statement regarding pending litigation with the WIFA representative.

The next document for approval is Resolution 2021-8. She went through the items in this document as well – including the representations the Board is making. The Resolution also includes authority to take any actions necessary to pay back the loan.

The Board also reviewed the draft legal opinion. It is Mr. Whittington's opinion, so the Board doesn't need to approve the document, but it was provided for their information. Mr. Whittington noted that his staff just finished comparing the two drafts of the Loan Documents. He will send the redline of the changes to the Board for review.

Director Crossley noted that the Tax Compliance Certificate (Exhibit H) looked substantially the same as the Certificates from the 2009 and 2012 loan documents, so he doesn't think it is necessary to have bond counsel review boiler plate documents this time. He asked if Ms. Galgano-Pinkley would review the three documents for any changes through the years. He also asked if they could approve the Loan Agreement today without seeing the redline of changes, and not knowing the magnitude of any changes made by WIFA. Mr. Whittington noted, if the Board wanted to they could make a motion to approve the documents on the condition there are no substantive differences from the prior draft.

Director McClintock made a motion to approve the WIFA Loan Agreement #920323-21 and Addendums, as modified, together with any exhibits and related documents, and including any escrow instructions or disbursement directions, with the provision there are no substantial differences from the draft received in March; if there are substantial changes, the Board will revisit. She also moved to approve the Certificate of Authority as amended by Mr. Whittington and Board Resolution #2021-8, and authorizing the Board Chair and Board Vice-Chair to execute all loan documents associated with the WIFA Loan Agreement #920323-21. Director Cook seconded the motion. The Board then voted on the motion as follows:

Sandra McClintock – Voted Yes  
David Cook– Voted Yes  
Patti Ferguson– Voted Yes  
Bryan Crossley– Voted Yes  
Celia Carr– Voted Yes

The motion passed unanimously.

- B. Discussion and Possible Action re: possible approval of CRST International insurance claim for fire hydrant repairs.** Ms. Galgano-Pinkley updated the Board with the settlement offer from CRST International Insurance for the fire hydrant claim. The insurance company has made a settlement offer of \$6,100.39. This figure includes the depreciation of \$368 on the hydrant. Director McClintock made a motion to approve the settlement offer from CRST International Insurance for the fire hydrant repairs. Director Ferguson seconded the motion. Director Crossley noted he believes the insurance company should not withhold depreciation, but make the District whole. There was some discussion about options of what they could do – including possibly filing a claim against the insurance company. However it was noted the District wouldn't be reimbursed for legal fees and they would no longer be able to represent to WIFA that there is no pending or threatened litigation. The motion passed unanimously.
- 5. FUTURE MEETING DATES:** The Board Chair mentioned the upcoming meeting dates. Pending COVID, the next meeting will be held at either the Library, at Municipal Accounts & Consulting's office or via telephone conference. The next meetings are tentatively scheduled for May 17th at 1:00 pm, 6/10/2021 in the afternoon/evening and 8/12/2021 at 10:00 am – location to be determined.
- 6. ADJOURNMENT:** There being no further discussion, the meeting was adjourned at 3:30 p.m.