

**HOODLAND FIRE DISTRICT #74
SPECIAL BOARD MEETING MINUTES
JULY 22, 2025**

Board Members: Nora Gambee, John Drake, Kirk Peterson, and Terry Niedermeyer.
[Cliff Fortune (Absent)] Four voting members in attendance.

Staff and Volunteers: Jim Price; Fire Chief, Scott Kline; Division Chief, Brian Henrichs;
Division Chief, and Kelli Ewing; Office Administrator.

Guests: Michael Schrader (Orrick) [Zoom], David Ulbricht (SDAO Advisory Services)
[Zoom]

1. Call to Order: By Nora Gambee at 7:02 PM

2. Roll Call

3. Pledge of Allegiance: Led by John Drake

4. Persons to be Heard. None

5. Unfinished Business

A. Project Update by DC Scott Kline

i. Reviewed plumbing plans, including water line routing and fixture placement. Discussed placement of air lines in apparatus bays and reviewed general lighting plans. Emphasized the need for additional electrical outlets throughout the facility. Full electrical plans are still in development and will be finalized in a future phase.

ii. The current plan is to install a diesel-powered generator with a 100-gallon tank, capable of providing approximately 24 hours of power at full load or up to 3 days with moderate use. Propane is also being considered as an alternative fuel source for both the generator and cooktop, depending on costs. The Board expressed interest in exploring dual-fuel (diesel/propane) generator options to improve flexibility and ensure reliability during potential fuel shortages. The furnace will be electric. Natural gas is not an option in this area. This discussion brought up the need to be better prepared for extended outages, such as the 15-day power loss experienced in 2020.

iii. There was a discussion on potential change orders, and it was noted that by working closely with the General Contractor early in the process, the team aims to proactively identify and address issues—helping to minimize the likelihood of change orders later in the project.

iv. The team is in the process of reviewing where built-in cabinets are necessary and where they can be eliminated throughout the station. Layout diagrams are pending and will be reviewed with HFD personnel to gather feedback specific to their areas of responsibility.

v. Board President Nora Gambee requested to be included in the fabric swatch selection process. DC Scott Kline will coordinate with her regarding the scheduled meetings.

6. New Business.

A. Bond Underwriting – David Ulbricht

i. Proposals were received from three underwriters with municipal bond experience specific to Oregon. The firms were evaluated based on underwriter discount, experience with municipal financing, and their capacity to support the district's creditworthiness in the bond market.

a. Mesirow is new to Oregon municipal finance, and there are concerns that their fees are being undercut below market value, potentially using HFD as a test case to enter this market.

b. DA Davidson has over 75 years of experience in Oregon, with reasonable fees in their proposal.

c. Piper Sandler's proposal included higher fees compared to the other two firms.

d. Two additional firms were contacted but did not respond.

ii. David explained the Municipal Market Data (MMD) Index, which serves as the bond market's equivalent of a mortgage benchmark. The highest credit rating is AAA, indicating the lowest risk, while a rating of D signifies very high risk. Notably, the U.S. Government's credit rating, which was previously AAA, has been downgraded to AA.

- iii. The differences between uninsured and insured bonds were discussed, focusing on how each affects rates and costs. Rates tend to be higher for uninsured bonds because they rely solely on the district's credit rating and financial standing. Depending on market conditions, there can be an advantage to either option; however, given current market conditions, going uninsured is economically more advantageous for the District.
- iv. The Board expressed concerns that uninsured bonds might carry more risk for the district. David clarified that uninsured bonds do not pose additional risk and are currently a more cost-effective option compared to insured bonds. He also noted that if market conditions change and going insured becomes the more cost-effective option, further discussions can be held to reconsider the approach.
- v. David Ulbright recommends selecting the DA Davidson uninsured option due to their extensive experience and the cost-effectiveness of the uninsured approach. He also expressed concerns about Mesirov and their lack of experience with Oregon Municipal Bonds and how they could be potentially manipulating their pricing structure to appear more competitive.

MOTION MADE: By Terry Niedermeyer to accept the proposal from DA Davidson, uninsured rates for GO Bond Underwriting.
 2ND: By Kirk Peterson
 DISCUSSION: None
 VOTE: Motion Passed. 4 Ayes [1 Absent]. Nora Gambee (Aye), Terry Niedermeyer (Aye), John Drake (Aye), and Kirk Peterson (Aye). [Cliff Fortune (Absent)]

- v. There are additional disclosure documents that the District will need to complete. DC Scott Kline will coordinate with the Bond team to make changes and finalize these documents.

7. Board Member Discussion

- A. The Board acknowledged that this process is overwhelming.

B. The original bond amount was \$18.8 million; however, with fees included, the total is \$19.145 million. Two additional LGIP (Local Government Investment Pool) accounts will be established—one for the lump sum proceeds and one for debt service. Taxes will be received annually to cover the debt service, with funds deposited into the General Fund LGIP and then transferred to the Debt Service LGIP for tracking and interest payments. Additionally, interest earned in these two LGIP accounts can be used to support the project.

C. A supplemental budget will need to be prepared and submitted by August 28, 2025, once the final bond numbers are received.

8. Executive Session. None

9. Other New Business

A. Fire Chief Jim Price will be on vacation at the end of July. During his absence, Division Chiefs Scott Kline and Brian Henrichs will be covering district operations.

B. Crews have now returned from the Conflag deployments.

10. Adjournment

MOTION MADE: By Nora Gambee
2ND: By John Drake
ADJOURNMENT: By Nora Gambee at 8:01 PM

Respectfully Submitted,



Kelli Ewing, Office Administrator

Notes Typed By: Christi Harris, Administrative Assistant