

**MINUTES
OF THE
LA PAZ COUNTY BOARD OF SUPERVISORS
Wednesday, April 22, 2020, 10:00 a.m.
Special Meeting**

Vice-Chairman Wilson called the April 22, 2020, Special Meeting of the La Paz County Board of Supervisors to order at 10:00 a.m. Elected Officials and Department Heads present were: Vice-Chairman Wilson, Chairman Irwin (telephonically), Supervisor Minor, County Administrator Drake, Chief Deputy County Attorney Dooley, Treasurer Castro, Finance Director Krukemyer, Clerk of the Board Green. Others present were Mark Reader, Managing Director, Stifel, Nicolaus & Co., Inc., and Timothy E. Pickrell, of Squire Patton Boggs LLP (telephonically).

Approve adoption of Resolution No. 2020-08, a Resolution of the Board of Supervisors of La Paz County, Arizona, stating its intention to incur long term obligations in one or more series of not-to-exceed \$4,925,000, aggregate principal amount for the purpose of financing one or both of the Bureau of Land Management (BLM) Land Acquisition Project and the 2012 Acquisition Agreement Refinancing; authorizing the execution and delivery of agreements in connection therewith; authorizing other actions and matters in connection therewith; and declaring an emergency – Board of Supervisor

Mark Reader, placement agent with Stifel, Nicolaus & Co., Inc., for the Bureau of Land Management (BLM) Land Acquisition Project, explained scenarios to the Board for selection of the “most efficient option”. He stated that the County had a public hearing recently regarding long term financing for the land conveyance, and could sell bonds to public market, or because of the small amount needed, take it to financial institutions.

He stated that he had prepared a Request for Proposals, sent it out and received only one proposal; however, he felt it was a “strong bid”, with Western Reliance at 4.27%, for a 15 or 4.37% for 20 year term, for the acquisition not-to-exceed \$4,250,000 aggregate principal amount, with a delivery expense of \$100,000; annual payments of approximately \$395,000 a year for 15 years, or \$330,000 for 20 years. He added that it could be prepaid after two years with no penalty.

He felt it was a good offer, and the County would know by the end of the week the results of the approval process; or the Board could go to Plan B, a bond sale, which would take more time; therefore, recommended avoiding.

Discussion ensued noting that La Paz County revenues did not seem as affected by the Covid-19 Pandemic as some other counties; a penalty-free payoff after two years was an attractive feature with the financing bid; and the agreement forms allowed for “wiggle room” in the negotiating for the placement agent up to a limit.

A brief discussion with the Finance Director noted that the County would have other bond payments that would be ending over the next three years, leaving the County “looking really good”.

Vice-Chairman Wilson, having reviewed the term sheet, stated that he would be inclined to prefer a 20-year term, particularly with the ability to pay the debt off with no penalties after two years and a possible refinance.

Finance Director Krukemyer stated that an argument could be made for either a 15-year or 20-year term; advising the Board they could decide either way.

Chairman Irwin was in agreement with what was expressed by the rest of the Board for a 20-year term.

SUPERVISOR MINOR MOVED to adopt Resolution No. 2020-08, a Resolution of the Board of Supervisors of La Paz County, Arizona, stating its intention to incur long term obligations in one or more series of not-to-exceed \$4,925,000, aggregate principal amount for the purpose of financing one or both of the Bureau of Land Management (BLM) Land Acquisition Project and the 2012 Acquisition Agreement Refinancing; authorizing the execution and delivery of agreements in connection therewith; authorizing other actions and matters in connection therewith; and declaring an emergency. Motion seconded by Chairman Irwin.

Clerk of the Board Green called a roll call vote as follows:

Chairman Irwin:	aye
Vice-Chairman Wilson:	aye
Supervisor Minor:	aye

MOTION PASSED unanimously.

Approve Finance Agreement relating to the BLM Land Acquisition Project – Board of Supervisors

Mr. Pickrell explained that this item, although inclusive within the verbiage of the resolution, was listed separately under advisement of the Clerk for transparent discussion and documentation.

He explained that this agreement is “substantially the form” to be used when the agreements are executed, and the blanks will be filled in and filed with the Clerk of the Board at the appropriate time.

SUPERVISOR MINOR MOVED to approve the Finance Agreement “in substantially the form” relating to the BLM Land Acquisition Project. Motion seconded by Chairman Irwin, passed unanimously including the vote by Vice-Chairman Wilson.

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Approve Placement Agent Agreement for placements of municipal securities – Board of Supervisors

Mr. Pickrell explained, once again, that the Placement Agent Agreement was for the purpose of acquiring assistance with negotiating with purchasers.

SUPERVISOR MINOR MOVED to approve the Placement Agent Agreement “in substantially the form” for placements of municipal securities. Motion seconded by Chairman Irwin, passed unanimously, including the vote by Vice-Chairman Wilson.

Adjournment

Vice-Chairman Wilson adjourned the meeting at 10:45 a.m.

APPROVED:

Holly Irwin, Chairman

ATTEST:

Diane Green, Clerk of the Board