

VANCOUVER LIBRARY CAPITAL FACILITIES AREA BOARD

April 28, 2009

CLARK COUNTY, WASHINGTON

The Vancouver Library Capital Facilities Area Board convened in the Commissioners' Hearing Room, 6th Floor, Public Service Center, 1300 Franklin Street, Vancouver, Washington. Board Members Mielke, Stuart, and Boldt, Chair, present.

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Marc Boldt, Chair, called the special meeting to order.

MOVED by Board Member Steve Stuart to approve the minutes of 12/16/08. Board members Mielke, Stuart, and Boldt voted aye. Motion carried.

Bruce Ziegman, Executive Director of the Fort Vancouver Regional Library District, requested authorization to sell a little over \$33 million in bonds for the Vancouver Library building projects to be operated by the Fort Vancouver Regional Library. He introduced Bond Counsel, Dan Gottlieb; Library Board Chair, Jack Burkman; Library Financial and Operations Director, Patty Duitman; and Assistant Treasurer, John Payne. Mr. Ziegman provided a brief history. This bond resolution is nearly identical to the one approved in 2007 – the main difference being the amount. They are planning on breaking ground for the new main library downtown in August, therefore the sale of the bonds is necessary, and a June bond sale is planned, pending the Board's authorization.

Chair Marc Boldt asked if that was for the rest of the bonds, around \$33 million.

Ziegman said it's a little over \$33 million and will be the second and final sale of the \$43 million authorized by the voters.

Boldt asked if there was a reason why it isn't spilt up again, or do we need all the \$33 million before we would have to go for another sale.

Ziegman said this is it. There are fixed costs that are associated with any bond sale, so splitting it up would cost some money. He said they need every penny to finish it off, so one more sale would be most prudent.

Boldt asked if we are paying for any of the construction that's going on now.

Ziegman said no, what's going on now is the demolition that is the obligation of the developer. As of December 31, 2008 we do own the land upon which we are going to build the library which allows us to move forward independent of the rest of the River West project, but they are responsible for demolition.

Board Member Mielke asked if the bonds were open to the public.

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Dan Gottlieb, Board Counsel, said absolutely, and the resolution creates the opportunity to sale the bonds either by competitive bid, which was done in 2007, or if the markets are not quite as cooperative, by negotiated sale – but either way, the expectation is that they be sold to the public. The sale date is scheduled for early June.


Board Member Steve Stuart asked about the bond market. The county is looking to invest in infrastructure and part of that process is direction given to explore opportunities within the bond market to frontload our investment because of the bids we are getting right now, which are good, for construction – 30% below estimates in many, many cases. The direction given is to time sales with the bond market, and there has been a lot of fluctuations within the bond market. He asked Mr. Gottlieb if he is feeling relatively confident about a June sale.

Gottlieb said he was a lawyer and not a financial adviser, but the reason why June really has to do more with the construction needs then the timing of the bond market. Currently the bond market is fluctuating. He said King County, yesterday, got 20 year bonds at 3.91% as the interest rate. He didn't know what the ratings for the county may be, but it's not a bad market to be selling bonds into if you've got a strong credit.

Ziegman said John Payne has been following this very closely and appreciated his work.

MOVED by Board Member, Steve Stuart, to approve Resolution 2009-04-01 VLCFA. Board Members Stuart, Mielke, and Boldt voted aye. Motion carried.

VANCOUVER LIBRARY CAPITAL FACILITY BOARD




Marc Boldt, Chair



Steve Stuart, Board Member

Tom Mielke, Board Member

ATTEST:



Annie Richards  
Clerk of the Board

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