

May 10, 2016

Dear Chair Mikulaco and members of the Board,

On the morning of Friday May 6th, I requested an addendum to today's agenda to "Discuss Debt Service for the Public Safety Facility". This Request was to address Sheriff D'Agostini's concern about the \$2.2M annual debt service for the Public Safety Facility based on the 2.875% APR. The verbal update that I received from the Assistant CAO stated that the County will miss the deadline to lock in at rate of 2.875% APR resulting in a possible rate of 3.5% APR. Failure to lock in at 2.875% APR could cost the El Dorado County tax payers an additional \$10M over the next three to four decades. The agenda item would have given this Board the opportunity to discuss the issue and possibly remedy the situation.

The "Debt Service" for the public safety facility is a critical issue for El Dorado County. As Board members, it is our fiduciary responsibility to be proactive and protect our tax payers. The impact of missing the deadline of the grant application for the public safety facility to lock in a rate of 2.875% APR will negatively affect our tax payers millions of dollars; it is every resident in El Dorado County that will end up paying more and receiving less from their County government for nearly 40 years.

Our County is at a critical juncture. I hope that my fellow board members give a clear direction to staff that we need to protect our tax payers by securing the lowest possible financing rate for this monumental expenditure on the public safety facility. I am willing to have a special meeting 24 hours from now to discuss this important issue.

Shiva Frentzen

El Dorado County Supervisor, District II



Shiva Frentzen <shiva.frentzen@edcgov.us>

Debt Service

Shiva Frentzen <shiva.frentzen@edcgov.us>

Fri, May 6, 2016 at 7:15 AM

To: Shawne Corley <shawne.corley@edcgov.us>, Larry Combs <larry.combs@edcgov.us>, The BOSONE <bosone@edcgov.us>, Ronald Mikulaco <ron.mikulaco@edcgov.us>, The BOSTWO <bostwo@edcgov.us>

Shawne,

I appreciate the verbal update on this issue and understand the violation of the Brown Act during group discussion. I am requesting an agenda item to discuss the "Debt Service for the Public Safety Facility" for the upcoming meeting on Tuesday 5/10.

At the meeting I would like to hear staff present the details for loan submission process and the reason for not being able to meet the June 1st deadline to secure the 2.875% APR interest rate.

This is a critical issue and will impact the tax payers of El Dorado County for decades. I look for the addenda and please let me know if you have any questions.

Regards,

Shiva Frentzen*El Dorado County Supervisor District 2*

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----- Forwarded message -----

From: **John D'Agostini** <john.dagostini@edso.org>

Date: Thu, May 5, 2016 at 11:03 AM

Subject: Debt Service

To: shawne.corley@edcgov.us, Larry Combs <larry.combs@edcgov.us>Cc: Shiva Frentzen <shiva.frentzen@edcgov.us>, Brian Veerkamp <brian.veerkamp@edcgov.us>, Michael Ranalli <michael.ranalli@edcgov.us>, Ronald Mikulaco <ron.mikulaco@edcgov.us>, Sue Novasel <sue.novasel@edcgov.us>, Randy Peshon <peshonr@edso.org>, Russell Fackrell <russell.fackrell@edcgov.us>

Shawne,

I wanted to confirm with you that the counties estimate of 2.2 million annual debt service for the Public Safety Facility is based on the 2.875% APR. If the application will not be done in time to lock that rate and the rate increases even a small amount, the estimated annual debt service will increase proportionately.

John

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Sheriff John D'Agostini | El Dorado County Sheriff's Office | 530-621-6576