

Crestview Unlimited Minutes
March 14, 2022
5:00 p.m.
Council Chambers

1. Call to Order

The first meeting of Crestview Unlimited was called to order at 5:22 p.m. by Mayor JB Whitten. Board members present: Shannon Hayes, Andrew Rencich, Doug Capps, Cynthia Brown, and Joe Blocker. Also present: City Manager Tim Bolduc, City Clerk Maryanne Schrader, City Attorney Jon Holloway, and various staff members.

2. Action Items

2.1. Crestview Unlimited Inc. Promissory Notes

City Manager Tim Bolduc stated this was the first meeting of the Crestview Unlimited Board.

City Attorney Jon Holloway mentioned this is the non-profit created to enhance recreation programs to include the golf course, and he went over the rules and procedures. He added the meeting is to review the promissory notes and agreement.

City Manager Tim Bolduc requested the approval of the two promissory notes. He went over the staff report items touching on the creditors were uneasy about extending credit without the backing of the city. He asked the Board to approve the lease between the City and Crestview Unlimited, Inc. to purchase the golf cars and the necessary equipment. This will allow the city to purchase these items then, in turn, sell them to the nonprofit corporation based on the promissory note terms. He noted the two equipment purchases were already approved by Council. This arrangement helps us put our money to work.

City Manager Tim Bolduc asked for the Board to approve either one or both of the promissory notes, as well as the security agreement.

City Attorney Jon Holloway added the city is the secure creditor.

In response to the question from Board member Shannon Hayes about the financial impact, City Attorney Jon Holloway said it is the sum of the annual payments. The principal amount is equal to the financing proposals. The city is not charging the nonprofit any more than the purchase price. He said both promissory notes included a Security Agreement. The security agreement provides the City with a first lien security interest in the assets that serve as collateral.

Council member Cynthia Brown asked about the security, and City Manager Tim Bolduc replied the city holds the equipment as collateral. City Attorney Jon Holloway Explained it is structured the exact same as a lease would have been, however, the Creditors wanted assurance from the city. City Attorney Jon Holloway said this is an installment sale, and the purchase price will be identical.

Council member Andrew Rencich said in the long term we are looking at a profit of just shy of \$60,000.

Mayor Whitten asked for comment from the Board.

Mayor Whitten asked about the interest rate, and City Manager T. Bolduc replied everything was kosher.

Motion by Joe Blocker and seconded by Andrew Rencich to approve the two promissory notes and security agreement.

Roll Call: Joe Blocker, Cynthia Brown, Shannon Hayes, Andrew Rencich, Douglas Capps. Ayes: 5; Nays: 0. All ayes. Motion carried.

In response to Council member Hayes, City Manager T. Bolduc responded the item is on the Council agenda for approval and for when the golf carts will arrive, City Manager T. Bolduc responded the golf carts will arrive the middle of April, and the tractors have already arrived.

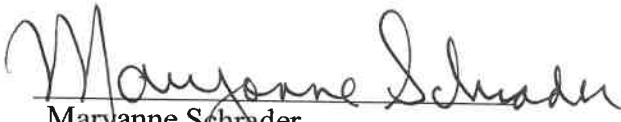
3. Comments from the Mayor and Council – No further comments.

4. Comments from the Audience – No comments.

5. Adjournment

Mayor JB Whitten adjourned the meeting at 5:32 p.m.

Minutes approve this 28th day of March 2022.


Maryanne Schrader
City Clerk




JB Whitten
Mayor