

MINUTES of a special Wellsville City Council meeting held Monday, September 27, 2010, at the Wellsville City Offices, 75 East Main in Wellsville. Commission members present were Mayor Thomas G. Bailey, Councilmen Gary Bates, Colin Harrison, Carl Leatham, and Jackie D. Orton. Also present was City Manager/Recorder Don Hartle. A copy of the Notice and Agenda was posted, faxed and emailed to the Herald Journal, and mailed to the City Council on September 23, 2010. The meeting was called to order at 6:30 p.m.

Others Present: Marc Edminster

Opening Ceremony: Mayor Thomas G. Bailey

Councilman Ron Case was excused from this meeting inasmuch as he was out of town at the time of this meeting.

The Council reviewed the agenda. Gary Bates made a motion, seconded by Carl Leatham, to approve the agenda as presented.

<u>YEA 4</u>	<u>NAY 0</u>
Gary Bates	
Colin Harrison	
Carl Leatham	
Jackie D. Orton	

The City Council discussed the documents that had been mailed to them on September 23, 2010 which included all documents that need to be approved before the closing of the 2010A Water Revenue Bonds and the 2010B Water Revenue Bonds associate with the construction of a new 1,000,000 gallon culinary water reservoir in the City gravel pit, including the Resolution, the Fifth Supplemental Indenture of Trust and the Bond Purchase Agreement. Don Hartle stated that the documents had been prepared by Baline Carlton with Ballard Spahr, LLP, the firm the City hired to prepare these documents, and they had been reviewed and approved by the City Attorney Bruce Jorgensen. The loan closing is scheduled for Wednesday, September 29, 2010 at 10:00 a.m. Marc Edminster representing Lewis, Young, Robertson, & Burningham, Inc., with whom the City contracted with to represent the City as a Financial Advisor was in attendance and visited with the City Council regarding the documents, and informed the City Council that it appears that everything is in order for the bond closing on September 29, 2010, upon approval by the City Council of the documents. Don Hartle discussed with the City Council the funding, and how it will occur:

From Board of Water Resources	\$ 70,000
Bank of Utah	560,000
Wellsville City	<u>400,000</u>
Total Funds Available	\$ 1,030,000

At the time of the loan closing, the following funds will be delivered to the Trustee:

Board of Water Resources	\$ 70,000.00
Bank of Utah (\$560,000 less loan origination fee withheld by bank	555,500.00
Wellsville City (\$400,000 less \$93,604.71 of expenses already paid by Wellsville City plus the required debt service reserve on the 2010B Bond of \$51,686.30)	<u>358,081.59</u>
TOTAL FUNDS DEPOSITED AT CLOSING	\$ 983,581.59

Use of the funds deposited:

Debt Reservice reserve for 2010B Bond	\$ 51,686.30
Construction, Closing Costs, Engineering & Inspections	931,895.29

