

1 Minutes of the  
2 Special Meeting of the Bountiful City Council  
3 City Council Chambers  
4 November 3, 2010 - 5:00 p.m.  
5

6 Present: Mayor: Joe L. Johnson  
7 Council Members: Beth Holbrook, John Marc Knight, Fred  
8 Moss, Scott Myers and Thomas Tolman  
9 City Manager: Tom Hardy  
10 City Attorney: Russell Mahan  
11 City Recorder: Kim J. Coleman  
12 Department Heads: Allen Johnson, Power  
13 Recording Secretary: Nancy Lawrence  
14  
15 Excused: City Engineer: Paul Rowland  
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17 Official Notice of this meeting had been given by posting a written notice of same and an  
18 Agenda at the City Hall and providing copies to the following newspapers of general circulation:  
19 Davis County Clipper, Deseret News, and Salt Lake Tribune and on the Utah Public Notice  
20 Website.  
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22 At 5:05 p.m. Mayor Johnson welcomed those in attendance, including the professionals  
23 associated with the bond sales, and asked Councilman Moss to lead the pledge of allegiance to  
24 the flag. Councilman Tolman gave the prayer/thought.  
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26 **ADOPTION OF RES. NO. 2010-13 re: ISSUANCE AND SALE**  
27 **OF ELECTRIC REVENUE BONDS**

28 Mr. Hardy reviewed that the approval and adoption of Resolution 2010-13 culminates the  
29 process of putting together the package necessary for the sale of electric revenue bonds, a funding  
30 mechanism for the upgrade of the Bountiful City Light and Power generation plant. The bonds  
31 will provide \$15 million of the \$25 million project. This process included full disclosure with  
32 proper legal notice, correct procedure, and gathering of accurate information. He thanked Allen  
33 Johnson and Jay Christensen from the Power Department, Galen Rasmussen and Kim Coleman  
34 from the City financial department and the three contracted private firms that have all worked  
35 together in a very professional way to guide and accomplish this process. The firm of Lewis,  
36 Young, Robertson and Burningham has provided financial advisement (Jason Burningham,  
37 principal); George K. Baum firm is the bond underwriter (represented by John Crandall and  
38 Preston Kirk); and Ballard Spahr (Ryan Warburton, representative) provided legal advice.  
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40 Mr. Burningham reviewed the final numbers for the issuance, highlighting that through  
41 the City's diligence, a 45 percent interest subsidy was received from the Federal government. He  
42 praised City officials for being alert and applying for and receiving this advantage, which he said  
43 will save the City "hundreds of thousands of dollars". The overall capital cost of the bonds will  
44 be 3.09% on the nearly \$25 million project.  
45

46 John Crandall (from George K. Baum) congratulated the City on a "very successful bond  
47 sale" and he reviewed the strengths as noted in the bond rating by Fitch. In response to a question

1 from Councilman Moss, he said that the majority of sales were made to institutional investors,  
2 with less than \$1 million in the retail market. There was good support from the Utah market.  
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4 Ryan Warburton (Ballard Spahr) reviewed the process which the City followed, initiated  
5 with adoption of a Parameters Resolution in September and which will be completed by the  
6 adoption of Resolution No. 2010-13 tonight, entitled "A RESOLUTION OF THE CITY COUNCIL OF  
7 THE CITY OF BOUNTIFUL, UTAH (THE "ISSUER"), FINALIZING THE TERMS AND CONDITIONS OF THE  
8 ISSUANCE AND SALE BY THE ISSUER OF ITS (i) ELECTRIC REVENUE BONDS, SERIES 2010  
9 (FEDERALLY TAXABLE-ISSUER SUBSIDY-RECOVERY ZONE BONDS), IN THE AGGREGATE  
10 PRINCIPAL AMOUNT OF \$15,285,000 (THE "SERIES 2010 BONDS"); CONFIRMING THE SALE OF SAID  
11 SERIES 2010 BONDS; AUTHORIZING THE EXECUTION BY THE ISSUER OF A GENERAL INDENTURE OF  
12 TRUST, A FIRST SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN  
13 CONNECTION THEREWITH; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT;  
14 RATIFYING THE PREPARATION AND DISTRIBUTION, AND APPROVING A PRELIMINARY OFFICIAL  
15 STATEMENT AND FINAL OFFICIAL STATEMENT AND OTHER DOCUMENTS REQUIRED IN  
16 CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE  
17 CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; PROVIDING A  
18 SEVERABILITY CLAUSE; REPEALING RESOLUTIONS AND ORDERS IN CONFLICT; PROVIDING AN  
19 EFFECTIVE DATE; AND RELATED MATTERS".  
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21 Mayor Johnson stated that experience over the last nine years has culminated in a trusting  
22 relationship with Mr. Hardy, Mr. Mahan, Mr. Rasmussen and Mr. Coleman, and he thanked  
23 them, together with the Power Department staff, for their outstanding work in the successful  
24 culmination of this \$25 million project for the City. Councilman Moss made a motion to  
25 approve Resolution No. 2010-13, as presented, with authorization for the Mayor and City  
26 Recorder to sign. Councilwoman Holbrook seconded the motion which carried unanimously.  
27 Councilpersons Holbrook, Knight, Moss, Myers and Tolman voted "aye".  
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29 It was noted that the official documents will be signed Monday, November 8, 2010, at  
30 3:00 p.m.  
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32 The meeting adjourned at 5:35 p.m. on a motion made and seconded by Councilman  
33 Myers and Councilwoman Holbrook, respectively. Voting was unanimous with Councilpersons  
34 Holbrook, Knight, Moss, Myers and Tolman voting "aye".  
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JOE L. JOHNSON, Mayor

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44 KIM J. COLEMAN, City Recorder  
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