

**Marysville City Council Special Meeting**  
**December 1, 1998**                      **4:00 p.m.**

**City Hall**

**Present:** Mayor Dave Weiser  
**Councilmembers:** Donna Wright, Mayor Pro Tem – excused  
Shirley Bartholomew  
NormaJean Dierck  
Otto Herman  
Mike Leighan  
Donna Pedersen  
Brett Roark – excused

**Others:** Dave Zabell, City Administrator  
Mary Swenson, City Clerk  
Ed Erickson, Finance Director  
Steve Gaidos – McDonald Investments, Inc.  
Lillie Lein, Recording Secretary

Mayor Weiser called the December 1, 1998 special meeting of the Marysville City Council to order at 4:05 p.m. noting the excused absence of Councilmembers Roark and Wright, and introducing Mr. Steve Gaidos from McDonald Investments, Inc.

Mr. Gaidos gave an update of the bond market and progress of the sale of bonds. He noted that in September, he had estimated a present value savings of \$223,000 but they had not quite reached that sum, and explained the reasons for that.

Mr. Gaidos reviewed bond coupon rates and yields and debt service. He noted a total savings of \$262,830 over the life of the bonds plus a beginning cash balance of about \$4,700. He added that all expenses are paid.

Mr. Gaidos closed his presentation by recommending that Council accept the offer as presented for the purchase, sale and delivery of \$4,900,000 Water and Sewer Revenue Refunding Bonds. He noted this document is identical to the recent document for limited tax general obligation bonds with the exception of the substitution of the words for water and sewer revenue refunding bonds, and in one paragraph it talks about rates and charges versus tax collections as far as sources of revenues. The terms of the bond issue are on the last page (Appendix A).

In response to City Administrator Zabell, Mr. Gaidos stated that these bonds could be called in 10 years. He noted that he had an offer with a slightly better rate if the bonds were non-callable but he did not recommend that for the City. There was a short discussion of the merits of callable versus non-callable bonds.

Councilor Herman asked about the closing date, and Mr. Gaidos responded that it would be December 30.

Councilor Bartholomew moved and Councilor Pedersen seconded the motion to accept the offer for the purchase, sale and delivery of \$4,900,000 Water and Sewer Revenue Refunding Bonds. Motion carried unanimously.

Mayor Weiser called for a short recess at 4:20 p.m. and reconvened the meeting at 4:30 p.m.

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A copy of the title and table of contents of the proposed ordinance was presented, and after a short discussion, Councilor Bartholomew moved and Councilor Leighan seconded the motion to approve Ordinance No. 2214 of the City of Marysville relating to the waterworks utility of the City; providing for the issuance of water and sewer revenue refunding bonds, 1998, in the principal amount of \$4,900,000 for the purpose of providing the funds to pay the cost of advance refunding the callable portion of the City's outstanding water and sewer revenue bonds, 1994, and paying the administrative costs of such refunding and the cost of issuing the bonds; fixing the date, form, maturities, interest rates, terms and covenants of the bonds; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds therein authorized and for the use and application of the money derived from those investments; authorizing the execution of an agreement with Chase Manhattan Trust Company, National Association, of Seattle, Washington, as refunding trustee; providing for the call, payment and redemption of the bonds to be refunded; providing for bond insurance; and approving the sale and providing for the delivery of these bonds to McDonald Investments, Inc., a Keycorp Company, of Seattle, Washington, pending review of entire ordinance by Mayor and Legal Counsel to ensure direction and intent of Council. Motion carried unanimously.

Mayor Weiser adjourned the December 1, 1998 Special Meeting of the Marysville City Council at 4:31 p.m.

Accepted this 7<sup>th</sup> day of December, 1998.

David Weiser

MAYOR

Mary D. Jensen

CITY CLERK

Lizette Lein

RECORDING SECRETARY