

Rogers Waterworks and Sewer Commission

November 2, 2004

Minutes

The Rogers Waterworks and Sewer Commission held a special-called meeting at noon, Tuesday, November 2, 2004, in the conference room in the Rogers Water Utilities office building. Commissioners Donnie Moore, Dick McLelland, Fred Wanger, Jerry Pittman, and Lon Pepple were present. RWU staff in attendance were Tom McAlister, Joyce Johnson, and Mark Johnson. Others in the audience were Jason Kelley, Deputy City Attorney, and Jim Fowler, Morgan Keegan, Inc.

After lunch, Chairman Moore called the meeting to order at 12:20 PM. The lone agenda item was a proposed resolution approving the issuance of \$8 million in water revenue bonds. Moore recognized Jim Fowler, the bond underwriter.

Fowler said that the proposed bond issue would have a twenty-five year term, structured to give the Water Department a level bond service payment. In order to do so, the bonds would be “back loaded”, that is, there would be more long-term bonds than short-term bonds. Fowler said that an insurer, MBIA, had been selected to insure the bond issue and to provide a bond in lieu of a debt service reserve account, allowing more bond proceeds to go into the construction fund. He said that Regions Bank in Little Rock was selected to be the trustee.

Continuing, Fowler said that the City of Rogers actually issues the bonds (rather than the Commission), and that the City Council would have to pass a bond ordinance at their next meeting (November 9, 2004). He said the bonds would be “presold” on Thursday, November 04, 2004. He said that the election should not adversely affect the bond market.

Fowler presented the Commission with a proposed resolution (RWU No. 05-03), which expressed the Commission’s desire to issue \$8 million in water revenue bonds, set parameters for maximum net interest cost (5.5%) and the bond underwriter’s fee (0.89%).

There was a motion by McLelland, second by Pittman, to approve the resolution. All in favor, motion carried.

The meeting adjourned at 12:35 PM.

Respectfully submitted,

Tom S. McAlister, Acting Secretary
Rogers Waterworks and Sewer Commission

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