

**Pleasant Grove City  
Special Council Minutes  
June 17, 2008  
5:30 p.m.**

**PRESENT:**

Mayor: Michael W. Daniels

**Council Members:**

Jeffrey D. Wilson

Mark K. Atwood

Cindy Boyd

Bruce Call

Lee G. Jensen

**City Recorder:**

Amanda R. Fraughton

**Deputy Recorder:**

Mary Burgin

**Others:**

Frank Mills, City Administrator

Gary Clay, Finance Director

The City Council and staff met at the City Council Chambers (south entrance), 86 East 100 South, Pleasant Grove, Utah

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Mayor Daniels called the meeting to order at 5:30 p.m. and welcomed everyone.

**1. CALL TO ORDER**

Mayor Daniels noted that Council Members Boyd, Call, Jensen, Atwood and Wilson were in attendance.

**2. BUSINESS**

**A. To consider the adoption of a resolution of the City Council of Pleasant Grove City, Utah, finalizing the terms and conditions of the issuance and sale by the Issuer of its Excise Tax Road Bonds, Series 2008 in the aggregate principal amount of approximately \$4,825,000; awarding and confirming the sale of said Series 2008 Bonds; authorizing the execution by the Issuer of a Second Supplemental Indenture, and other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transaction contemplated by this resolution; providing a severability clause; providing an effective date; and related matters.**

Mayor Daniels read this item, then turned the time over to Mr. John Crandall, an underwriter with the firm of George K. Baum & Company.

Mr. Crandall addressed the Mayor and Council and told them that the bonds that were sold (this same day) were very well received on the market. The rates received for 10-year borrowing was

4.52%. He then explained that the bonds market is in a very interesting time right now. He said the market looks like it will continue to go up.

Mayor Daniels commented that he understood that the City had a good bond rating. Mr. Crandall said yes, the City was doing well and had been assigned an A+ bond rating from Standard and Poors, as well as Fitch. He then explained that this excellent rating reflects the City's expanding local economic base. The City's historically good growth in pledged revenue, due to population growth, and helps boost the rating. He said it will be a short 10-year amortization on the bonds; and there has been adequate maximum annual debt service coverage at 1.25%, which is also the minimum additional bonds coverage requirement. Mr. Crandall said he would like to compliment the City.

Mayor Daniels asked what difference a good bond rating can make for the City. Mr. Crandall explained that a lower rate of interest due to the good bond rating can save the City a lot of money in interest.

Mr. Cody Deeter with Lewis, Young, Robertson & Burningham next addressed the Council. He said that at 4.52% interest rate on the bonds that had been sold, the City had done very well. He then handed out booklets to the Council and asked them to go through them to better understand how the selling of municipal bonds work.

Council Member Jensen noted that some of the percentage rates in the booklet were a little different than what Mr. Deeter and Mr. Crandall had just quoted to the Council. Mr. Deeter then said that the percentages change daily.

After a brief discussion, Mayor Daniels asked if there were anymore comments or questions from the Council or public. There were none. He then asked for a motion.

**ACTION:** Council Member Wilson moved to approve Resolution No. 2008-013, of the City Council of Pleasant Grove City, Utah, finalizing the terms and conditions of the issuance and sale by the Issuer of its Excise Tax Road Bonds, Series 2008 in the aggregate principal amount of approximately \$4,825,000; awarding and confirming the sale of said Series 2008 Bonds; authorizing the execution by the Issuer of a Second Supplemental Indenture, and other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transaction contemplated by this resolution; providing a severability clause; providing an effective date; and related matters.. Council Member Jensen seconded and the motion passed by voice vote unanimously with Council Members Wilson, Boyd, Jensen, Call and Atwood voting "Aye."

### **3. ADJOURN**

**ACTION:** At 5:53 p.m. Council Member Wilson moved to adjourn the meeting. Council Member Atwood seconded and the motion passed unanimously with Council Members Call, Wilson, Jensen, Atwood and Boyd voting, "Aye."

This certifies that the City Council  
Minutes of June 17, 2008 are a  
true, full and correct copy as approved  
by the City Council on July 1, 2008.

Signed \_\_\_\_\_  
Mary Burgin, Deputy Recorder