

EAGLE SEWER DISTRICT

February 21, 2008

Special Meeting

4:00 p.m.

Minutes

Roll Call

Chairman Jim Brooks called the meeting to order at 4:02 p.m. Board members present: Ed Hendershot, Jim Gruber, Jim Brooks, Chuck Ferguson, and Erv Ballou. A quorum is present.

Consultants present: Phil Johnson, P.E., MWH; Tammy Zoken, bond counsel; and Bill Jerrel and Eric Heringer, of Seattle-Northwest Securities Corporation.

Staff present: Lynn Moser, General Manager and Lynne Sedlacek, Business Manager.

Unfinished Business

Resolution 08-04/Authorize and Provide for the Issuance, Sale and Delivery of a Promissory Note to the Idaho Bond Bank Authority – Zokan presented her written opinion on the District's Judicial Confirmation petition. Pursuant to the Judicial Confirmation Judgment, the District may incur indebtedness in a principal amount not to exceed \$6,500,000.

Bill Jerrel of Seattle-Northwest Securities Corporation (SNW) addressed the Board. SNW is the underwriter for the Idaho Bond Bank. Jerrel went over the requirements of the Bond Bank loan as provided in Resolution 08-04. The key components are that the loan amount will not exceed \$6.5 million, the interest rate is not to exceed 5%, and the loan term will not exceed 30 years.

After discussion, Gruber moved, Ferguson seconded, to approve Resolution 08-04. Zokan asked that the Board take a roll-call vote: Hendershot-aye, Gruber-aye, Brooks-aye, Ferguson-aye, and Ballou-aye. The motion passes unanimously.

Tri-Cedars Management/ Property Contract – Moser reported that he spoke with Ed Priddy's secretary who indicated a draft proposal has been prepared, but it has not been finalized and Priddy is out of town. Brooks stated that the Executive Session scheduled for the end of the meeting would not be necessary.

Miscellaneous – none

New Business

Discussion of Changing Monthly Meeting Time – After brief discussion, the Board agreed to change the start time of the District's regular monthly meeting from 6:30 p.m. to 6:00 p.m. The new start time will be effective with the Board's March 10, 2008 meeting.

Miscellaneous – none

Executive Session

Pending Litigation – Tri Cedars Management – The executive session was cancelled.

Adjournment

Ferguson moved, Hendershot seconded, to adjourn the meeting. The motion passes unanimously. The meeting adjourned at 4:45 p.m.

Respectfully submitted:

Lynne Sedlacek