

**Special Session
Earlham City Council Meeting
May 4, 2020**

The Earlham City Council met in special session, on Monday, May 4, 2020. Because of COVID-19 precautions, the meeting was held electronically. Mayor Lillie called the meeting to order at 7:02 p.m., and the following answered roll via Zoom: Baskin, Payne, Petersen, Swalla. Absent: Fredericksen. Staff present: Clerk Hibbs. Also present: Travis Squires with Piper Sandler & Co.

1. Approval of Agenda

Motion by Payne, second by Swalla, to approve the agenda.

Roll: Ayes – unanimous. Motion passes.

2. Consider approval of Resolution No. 20-21, A Resolution Directing The Acceptance Of A Proposal To Purchase \$1,000,000 General Obligation Capital Loan Notes, Series 2020a.

Fredericksen arrived at 7:04 p.m.

Travis Squires with Piper Sandler explained the bids. He stated this is an interesting time in the banking industry due to Corvid-19. We received two bids from local banks: Earlham Savings Bank and American State Bank in Osceola. On the \$1M GO bonds: ESB 3.78% (\$350K total interest 15 years); ASB 2.75% (\$250K total interest 15 years). He said larger banks were not interested in this probably due to the size of the loan and other issues they have at this time. He explained for the first two years the principal payments will be lower while we get our other debt paid off.,

Motion by Fredericksen, second by Swalla, to approve Resolution No. 20-21, A Resolution Directing The Acceptance Of A Proposal To Purchase \$1,000,000 General Obligation Capital Loan Notes, Series 2020a.

Roll: Ayes – unanimous. Motion passes.

3. Consider approval of Resolution No. 20-22, A Resolution Directing The Acceptance Of A Proposal To Purchase \$1,145,000* (Dollar Amount Subject To Change) Water Revenue And Refunding Capital Loan Notes, Series 2020b.

Travis stated the amount of the water revenue loan will be approximately \$475,000-\$500,000, depending on new money for the project. Again, the two bids were from Earlham Savings Bank and American State Bank of Osceola. For the Water Revenue bonds: ESB 4% for 15 years; ASB 2.5% for 15 years. This includes the refinancing portion (Series 2012A) of the project. He explained there is no debt reserve needed. He feels our current water rate structure is sufficient. We will wait to see how revenues look in the future to determine in additional increases are necessary.

Motion by Swalla, second by Petersen, to approve Resolution No. 20-22, A Resolution Directing The Acceptance Of A Proposal To Purchase \$1,145,000* (Dollar Amount Subject To Change) Water Revenue And Refunding Capital Loan Notes, Series 2020b.

Roll: Ayes – unanimous. Motion passes.

4. Consider approval of Resolution No. 20-23, A Resolution Authorizing The Redemption Of Outstanding Water Revenue Bonds, Series 2012a, Of The City Of Earlham, State Of Iowa, Dated May 31, 2012, And Directing Notice Be Given

Motion by Baskin, second by Payne, to approve Resolution No. 20-23, A Resolution Authorizing The Redemption Of Outstanding Water Revenue Bonds, Series 2012a, Of The City Of Earlham, State Of Iowa, Dated May 31, 2012, And Directing Notice Be Given

Roll: Ayes – unanimous. Motion passes.

5. Adjourn

Motion by Payne, second by Petersen, to adjourn.

Roll: Ayes - unanimous. Motion passes.

Being there was no further business, meeting was adjourned at 7:22 p.m.

Jeff Lillie, Mayor

Attest: _____
Mary Sue Hibbs, Clerk/Treasurer