

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the March 16, 2016 Special Board Meeting

Virginia Dowden, President
John Urban, Director

Ted Gaffney, Vice President
John Cook, Director

Denis Raab, Director

Tim Geraghty, Treasurer/Clerk
Ron Smith, General Manager

Kim Cantrell, Deputy Clerk
Bob Schwermann, Financial Advisor

A special meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on March 16, 2016, at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 12:30 PM.

Virginia Dowden, President, called the meeting to order. Tim Geraghty served as Clerk of the meeting and attested that notice of the meeting was duly and timely posted.

The following directors were present: Virginia Dowden, John Urban, John Cook, Ted Gaffney and Denis Raab. Also present were the following: Tim Geraghty, Kim Cantrell, Ron Smith and Bob Schwermann.

Virginia Dowden requested a motion to adopt the Agenda. After further discussion, John Urban motioned to adopt the agenda as written, seconded by Ted Gaffney, all yea, motion carried.

Virginia Dowden inquired if there was any Old Business, being no Old Business, Mrs. Dowden inquired if there was any New Business.

Virginia Dowden announced the first order of business was consideration of refinancing certain lease obligations providing financing for the District's water supply and distribution and sewer collection and treatment system and in connection therewith refunding certain outstanding Series 2005B Certificates of Participation, Series 2008 Certificates of Participation and Series 2009 Certificates of Participation encumbering the System. Mrs. Dowden advised that a proposal to purchase certificates of participation had been submitted by Piper Jaffray & Co. and associated underwriters.

Bob Schwermann of Ranson Financial, the Water District's financial advisor, discussed the proposed bond refinancing. The aforesaid financing and the proposal, including the rentals payable under the amended lease and the specific terms of the lease participation certificates and the terms of sale thereof, as well as various costs of the financing, were considered and discussed by the members of the Board and upon motion duly made by Ted Gaffney and seconded by Denis Raab, and passed by unanimous vote, the following captioned resolution and the sale of the certificates by the District to the underwriter:

**RESOLUTION AUTHORIZING A SIXTEENTH AMENDMENT TO 1994
PROJECT LEASE AGREEMENT, A SECOND AMENDMENT TO 2015
PROJECT LEASE AGREEMENT AND A FIRST AMANEDMENT TO AMENDED
AND RESTATED BASE LEASE AGREEMENT AND APROVING THE
ISSUANCE OF REFUNDING CERTIFICATES OF PARTICIPATION (PUBLIC
WATER SUPPLY DISTRICT NO. 2 OF ST. CHARLES COUNTY, MISSOURI
PROJECT), SERIES 2016B, IN THE AGGREGATE PRINCIPAL AMOUNT OF**

\$46,885,000 TO PROVIDE FUNDS TO REFUND CERTAIN OUTSTANDING SERIES 2005B CERTIFICATES, SERIES 2008 CERTIFICATES, AND SERIES 2009 CERTIFICATES, AND THEREBY REFINANCE A PORTION OF THE COSTS OF THE DISTRICT'S WATER SUPPLY AND DISTRIBUTION AND SEWER COLLECTION AND TREATMENT SYSTEM; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND RELATED ACTIONS IN CONNECTION WITH ISSUANCE OF SAID CERTIFICATES.

Thereupon, the resolution was read, and the adoption of the resolution was considered and put to a roll call vote, the vote thereon was as follows: Ted Gaffney voted yea, John Urban voted yea, John Cook voted yea, Denis Raab voted yea, Virginia Dowden voted yea, all yea, motion carried.

Virginia Dowden inquired if there was any business that would require an executive session. Tim Geraghty stated there were matters for which the Board should convene in executive session pursuant to Section 610.022(1) and Sections 610.021(1) and (2) RSMo to discuss matters involving legal actions, confidential and/or privileged communications between District Officials, its representatives, and/or leasing, purchase or sale of real estate. Mrs. Dowden solicited for a motion to close the regular session and convene to an executive session. John Urban motioned to close the regular session and convene to an executive session; seconded by John Cook. Tim Geraghty called a roll call vote: Denis Raab voted yea, John Cook voted yea, John Urban voted yea, Ted Gaffney voted yea, Virginia Dowden voted yea, motion carried.

Being no other items for business, Ted Gaffney motioned to adjourn the Executive Session and reopen the Regular Session, John Urban seconded. Tim Geraghty called a roll call vote: Denis Raab voted yea, John Cook voted yea, John Urban voted yea, Ted Gaffney voted yea, Virginia Dowden voted yea, all yea, motion carried.

Virginia Dowden inquired if there was any other business to come before the Board. Being no other business, John Cook motioned to adjourn the meeting; John Urban seconded, all yea, motion carried.

Minutes approved this 13th day of April, 2016

Virginia Dowden
Virginia Dowden, President

Tim Geraghty
Tim Geraghty, Clerk

