

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the June 27, 2018 Special Board Meeting

Denis Raab, President
Vicky Steinkamp, Director

John Cook, Vice President
Kay Schnurr, Director

Darrell Dechant, Director

Kim Cantrell, Clerk

Bob Schwermann, Financial Consultant

A special meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on June 27, 2018, at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 3:00 PM.

Denis Raab, President, requested a motion to open and call the meeting to order. John Cook motioned to open and call the meeting to order, seconded by Kay Schnurr, all yea, motion carried. Kim Cantrell served as Clerk of the meeting and attested that notice of the meeting was duly and timely posted.

The following directors were present: Denis Raab, John Cook, Vicky Steinkamp, Kay Schnurr and Darrell Dechant.

Denis Raab announced that the first order of business was consideration of financing the acquisition, construction and installation of Project Additions (including acquisition of the Wright City combined water and sewerage system) to the District's water supply and distribution and sewer collection and treatment system. Mr. Raab advised a proposal to purchase Certificate of Participation (Public Water Supply District No. 2 of St. Charles County, Missouri Project), Series 2018, in the principal amount of \$30,000,000.00 had been submitted by Piper Jaffray & Co and associated underwriters.

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 of Directors. A motion was made by Vicky Steinkamp and seconded by Kay Schnurr and passed by unanimous vote to sell the Series 2018 Certificates of Participation to the underwriting group headed by Piper Jaffray & Co.

A motion was made by John Cook and seconded by Darrell Dechant to consider the following captioned resolution

RESOLUTION AUTHORIZING A SECOND AMENDMENT TO AMENDED AND RESTATED BASE LEASE AGREEMENT AND A FOURTH AMENDMENT TO PROJECT LEASE AGREEMENT AND APPROVING THE ISSUANCE OF CERTIFICATES OF PARTICIPATION (PUBLIC WATER SUPPLY DISTRICT NO. 2 OF ST. CHARLES COUNTY, MISSOURI PROJECT), SERIES 2018, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$30,000,000 TO PROVIDE FUNDS TO PAY THE COST OF PROJECT ADDITIONS TO THE DISTRICT'S WATER SUPPLY AND DISTRIBUTION AND SEWERAGE COLLECTION AND TREATMENT SYSTEM; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND RELATED ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID CERTIFICATES

Thereupon, the resolution was read, and the adoption of the resolution was considered and put to roll call vote, the vote thereon was as follows:

Aye: Denis Raab, John Cook, Vicky Steinkamp, Kay Schnurr, Darrell Dechant
Nay: None

The President declared the resolution duly adopted.

Kim Cantrell informed the Board that Woodard & Curran has submitted pricing for the addition of the Wright City water and sewer system to the current District. Mrs. Cantrell stated that the additional annual cost would be \$579,812.00. After further discussion, Kay Schnurr motioned to approve the additional funding to Woodard & Curran for the addition of the Wright City system, but the Board is requesting a per customer breakdown of the current customers and a per customer break down of the addition of the Wright City customers, seconded by Darrell Dechant, all yea, motion carried.

John Cook requested the review of all contracts the District is involved in and their amendments.

John Cook asked if Alliance had in any way frauded the District of any large amounts of money.

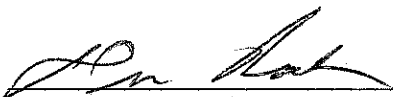
Kim Cantrell informed the Board that a reporter has requested the past 10 years of water quality reports for the District with regards to a Facebook group called Chasing Answers.

Denis Raab inquired if there was any business that would require an executive session. John Cook 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 its attorneys, and/or leasing, purchase or sale of real estate. John Cook motioned to close the regular session and convene to an executive session; seconded by Kay Schnurr. Kim Cantrell called a roll call vote: Denis Raab voted yea, Vicky Steinkamp voted yea, Darrell Dechant voted yea, Kay Schnurr voted yea, John Cook voted yea, motion carried.

John Cook motioned to adjourn the Executive Session and reopen the Regular Session; Kay Schnurr seconded. Kim Cantrell called a roll call vote: Denis Raab voted yea, Darrell Dechant voted yea, Kay Schnurr voted yea, John Cook voted yes, Vicky Steinkamp voted yea, motion carried.

Denis Raab inquired if there was any other business to come before the Board. Being no other business, Kay Schnurr motioned to adjourn the meeting; Darrell Dechant seconded, all yea, motion carried.

Minutes approved this 11th day of July, 2018



Denis Raab, President



Kim Cantrell, Clerk

