

COMMISSION MEETING MINUTES  
September 10, 2009

The Board of Davis County Commissioners met in room 236 of the Davis County Courthouse, Farmington, Utah on September 10, 2009 at 3:10 p.m. Members present were Chairman P. Bret Millburn, Commissioner John Petroff Jr., Commissioner Louenda H. Downs, Clerk/Auditor Steve S. Rawlings, Chief Deputy Civil Attorney Gerald E. Hess, and Deputy Clerk/Auditor Linda May.

The following also attended: Mark Altom, Davis County Treasurer; Ross Bartholomew, Davis County Tax Administration Director; Kirk Schmalz, Davis County Public Works Director; Jon Bronson and Jonathan Ward, Zions Bank Public Finance; Blake Wade, Ballard Spahr; Preston Kirk, George K. Baum & Company; and Jim Blandford, Robert W. Baird & Co.

Resolution  
#2009-286  
Finalizing  
Terms &  
Conditions of  
Sales Tax  
Revenue Bonds  
Series 2009A,  
2009B, and  
2009C

Chairman Millburn stated the purpose of the meeting is for consideration to adopt a resolution #2009-286 of the Board of County Commissioners of Davis County, Utah (The “Issuer”) finalizing the terms and conditions of the issuance and sale by the issuer of its (I) Sales Tax Revenue Bonds, Series 2009A, (II) Sales Tax Revenue Bonds, Series 2009B (Federally Taxable –Issuer Subsidy—Build America Bonds) and (III) Sales Tax Revenue Refunding Bonds, Series 2009C (Collectively, the “Series 2009 Bonds”) in the aggregate principal amount of \$31,925,000; awarding and confirming the sale of said series 2009 bonds; authorizing the execution by the issuer of a bond purchase agreement, a third supplemental indenture of trust, an escrow agreement and other documents required in connection therewith; authorizing and approving an official statement; ratifying and approving the use of a preliminary official statement; and authorizing the taking of all other actions necessary to the consummation of the transaction contemplated by this resolution providing a severability clause; repealing resolutions and orders in conflict; providing an effective date; and related matter.

Jon Bronson, Zions Bank Public Finance, stated it was a very successful transaction on the market yesterday. In every arena the bonds exceeded expectations with the underwriters. Jon handed out to the Commissioners the Book of Transaction Information containing the following:

- The 2009 Bonds are being issued for the purpose of: (i) financing the costs of storm drainage and flood control projects and related improvements; (ii) refunding the 2003 Bonds as defined; and (iii) paying costs associated with the issuance of the 2009 Bonds.
- The County’s Series 2009 A Sales Tax Revenue Bonds are being issued as traditional tax-exempt debt. When combined with the Series 2009B Sales Tax Revenue Bonds, they provide roughly level debt service payments to the County for a twenty-year period.
- The County’s Series 2009B Sales Tax Revenue Bonds are being issued as taxable bonds under the American Recovery and Reinvestment Act of 2009’s Build America Bonds provision. The County will receive 35% of each interest payment as a subsidy payment from the U.S. Treasury to offset a portion of the debt service payments required by the County.
- The County’s Series 2009 C Sales Tax Revenue Bonds are being issued to refinance a portion of the County’s Series 2003B Sales Tax Revenue Bonds. The 2016 through 2023 maturities of the Series 2003B bonds are being refunded for interest saving. The NPV saving from this refunding totals \$136,188.00 or 3.043% of the refunded principal amount.

Jim Blandford, Robert W. Baird & Co. gave a thank you from the underwriters and investors. There was a flight to quality and the AAA rating of Davis County’s was huge to the team.

Jon Bronson stated there was a broad based national interest and there were 125 orders for each bond. Preston Kirk, George K. Baum & Company, stated it was a competitive sale and interest rates have declined since July.

Chairman Millburn stated this has been a great team effort and extended a thank you to Steve Rawlings and Jerry Hess as well as those before us today.

Jon Bronson stated the financial team has worked well together and the stars aligned.

Commissioner Downs made a motion to approve. Commissioner Petroff seconded the motion. All voted aye. Documents are on file in the office of the Davis County Clerk/Auditor. The commissioners expressed gratitude to all involved and hope the citizens are pleased.

Steve Rawlings stated it is indeed a great team effort and thanked the three commissioners for their foresight.

Jerry Hess reminded all, "Don't spend till we close the deal."

Meeting adjourned.