

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF SPECIAL MEETING
MAY 4, 2010**

CALL TO ORDER

AT 2:00 p.m. Chairman House called the special meeting to order. Board members present were Ken Sewell, Dave Weinstein and Tom DePew. Board member George Anderl was absent. Ken Thompson, Mike Ormsby, Mike Schmidt and Dustin Jacobson were also present as representatives of the Board. Betty Kerr and Jack McLaughlin from D.A. Davidson were also present at the meeting.

AGENDA

Board member Sewell moved to approve the agenda for the special meeting, seconded by Board member Weinstein. The motion carried.

Attorney Mike Ormsby then introduced Mr. McLaughlin to the Board and citizens present and explained that Mr. McLaughlin is the President of D.A. Davidson and will be handling the bond sale. Mr. Ormsby then turned the floor over to Mr. McLaughlin. Mr. McLaughlin presented documents to the Board introducing D.A. Davidson and the different aspects of the company. The bond purchase agreement for LID #6 was discussed. Mr. McLaughlin informed the Board that the bonds were marketed to certain institutional investors. The bonds sold nationally with one bank in Idaho purchasing some of the bonds.

Mr. McLaughlin discussed the documents previously presented to the Board. The funds and interest rate, which is 7.008%, was discussed. The information page was discussed with the debt service information contained on the last page of the document. Mr. McLaughlin informed the Board that the standard bond purchase agreement is incorporated into the Ordinance.

At 2:15 p.m. Dustin Jacobson excused himself from the meeting.

Mr. Ormsby discussed Ordinance 2010-03 with the Board. The estimated closing date is May 13, 2010. The ordinance allows the funds to be re-imbursed to the District for the \$500,000 the District put in. Pre-payments may be made at anytime by the constituents. The first annual bill will be sent out in January, 2011 with the first bond payment made in October, 2011 annually. The guarantee fund will remain in place as will the reserve fund. A good faith payment of \$330,000 has been made to Idaho Independent Bank on May 3, 2010.

Board member Weinstein moved to adopt ordinance 2010-03 by reading of title only. Board member Sewell seconded the motion. A roll call vote showed;

Board member Weinstein, “aye”, Board member DePew, “aye” and Board member Sewell, “aye”. The motion carried.

Administrator Lynn Hagman read Ordinance 2010-03 by title.

Board member DePew moved to adopt ordinance 2010-03 under suspension of the rules requiring the reading on three separate occasions and as presented. A roll call vote showed; Board member DePew, “aye”, Board member Sewell, “aye” and Board member Weinstein, “aye”. The motion carried.

Board member DePew moved to approve the summary of ordinance 2010-03 for publication. Board member Sewell seconded the motion. The motion carried.

ADJOURN

With no further business before the Board, at 2:45 p.m. Board member Sewell moved to adjourn, seconded by Board member DePew. The motion carried.

Kenneth Sewell, SECRETARY

Lynn M. Hagman, ADMINISTRATOR