

A special session of the Nibley City Council held at Nibley City Hall, 455 W. 3200 S. Nibley, Utah, on Friday, June 22, 2012.

The following actions were made during the meeting:

Councilman Jacobsen motioned to adopt Resolution 12-12 authorizing \$850,000 in water revenue and refunding bonds, SERIES 2012, for water system improvements and refunding the city's outstanding water revenue bonds, SERIES 1981 and SERIES 2002. Councilwoman Cook seconded the motion. Councilman Jacobsen was in favor, Councilman Hansen was in favor, Councilwoman Cook was in favor, and Councilman Mickelson was in favor. The motion passed unanimously, 4-0.

OFFICIAL MINUTES OF THE MEETING

Minutes were taken by Assistant City Recorder Cheryl Bodily

Call to order

Mayor Gerald Knight called the Friday, June 22, 2012 Nibley City Council meeting to order at 3:00 p.m. Those in attendance included Mayor Gerald Knight, Councilwoman Carrie Cook, Councilman Thayne Mickelson, and Councilman Larry Jacobsen. Mr. David Zook, the City Manager, was also in attendance.

Approval of Agenda

Councilman Jacobsen made a motion to approve the agenda. Councilwoman Cook seconded the motion. The motion passed unanimously 3-0; with Councilman Jacobsen, Councilwoman Cook, and Councilman Mickelson all in favor.

Consideration of Resolution 12-12—A resolution authorizing \$850,000 Water Revenue and Refunding Bonds, SERIES 2012, for water system improvements and refunding the city's outstanding water revenue bonds, SERIES 1981 and SERIES 2002; and related matters

Mayor Knight described the proposed uses for the \$850,000 bond. Mayor Knight read Resolution 12-12.

Councilman Mickelson asked for discussion on the interest savings from current water bonds. The Council, Mayor, and Mr. Zook discussed the interest savings. Mayor Knight and Councilman Mickelson discussed repayment of the bond with Mr. Zook noting the loan was based on their water rate revenue but would be paid with water impact fees.

Nibley citizen, Paul Rew asked how the additional \$500,000 in bonds being used for the well would be paid for. Mayor Knight said it would be through impact fees.

Councilman Hansen arrived at 3:06.

Councilman Jacobsen said via his rough calculations, he had determined the city would save approximately \$2,000 in interest charges with the additional bond for the well and while refinancing the current water bonds. Mr. Rew asked where that savings would be spent. Councilman Jacobsen said it would be put back in the water fund. Mr. Rew asked if the bond would affect future water rates. Mayor Knight said it would not. Mr. Rew asked about depreciation funds. Mr. Zook said he was currently working and had spoken with a consultant about preparing a financial sustainability study for the city that would look into the depreciation of assets and their study would advise the city on the best strategy to take.

Councilman Jacobsen made a motion to adopt Resolution 12-12 authorizing \$850,000 in water revenue and refunding bonds, SERIES 2012, for water system improvements and refunding the city's outstanding water revenue bonds, SERIES 1981 and SERIES 2002. Councilwoman Cook seconded the motion. Councilman Jacobsen was in favor, Councilman Hansen was in favor, Councilwoman Cook was in favor, and Councilman Mickelson was in favor. The motion passed unanimously, 4-0.

Mr. Zook gave the Council information he had acquired on the proposed property tax revenue rate. The Council discussed the action they intended to take.

The meeting was adjourned at 3:19 p.m.