

COUNCIL MINUTES

May 10, 2007

The City Council of the City of Mesa met in a Special Council Meeting in the lower level meeting room of the Council Chambers, 57 East 1st Street, on May 10, 2007 at 7:30 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Tom Rawles
Claudia Walters
Mike Whalen

COUNCIL ABSENT

Scott Somers

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Barbara Jones

Mayor Hawker excused Councilmember Somers from the entire meeting.

1. Hear a report concerning the bids received for the purchase of the City's Street and Highway User Revenue Bonds, Series 2007, Utility Systems Revenue Bonds, Series 2007 and General Obligation Bonds, Series 2007 (Bids have been received through an on-line bidding process).

Deputy City Manager Bryan Raines reported on the competitive bidding process for the bonds, as outlined in the May 9, 2007 memorandum to the Mayor and Council (see Attachment 1). He noted that the bidding process was very competitive and that the bids received had an interest rate in the 4.3 to 4.4 percent range, which is better than the forecasted rate. Mr. Raines explained that the sale of these voter-approved bonds is an annual process for projects that are planned in the next fiscal year.

Larry Given of Peacock, Hislop, Staley & Given recommended that the City accept the winning bids for these bonds. He noted that the response to the sale spoke well for the City and the rating process.

Mr. Raines stated that the City's Bond Counsel, Keith Hoskins of Gust Rosenfeld, was present in the audience, and he acknowledged the efforts of Controller Kathy Pace and her staff in preparing for the sale. He added that Mayor Hawker and Vice Mayor Walters also provided assistance by speaking to the rating agencies last week. Mr. Raines advised that the rating analysis completed by Standard & Poors (a copy is available for review in the City Clerk's Office) was included in the Council packet.

In response to a question from Vice Mayor Walters, Acting Budget Director Chuck Odom said that although he has not had an opportunity to analyze the fiscal impact of the interest rate savings, he would provide that information to the Council as soon as it is available.

Councilmember Griswold congratulated staff on their efforts, and he noted that the lower bond interest reflects an improvement in the City's financial status.

2. Discuss, amend if desired, and act on the following resolutions:

- a. Providing for the issuance and sale of \$10,675,000 Aggregate Principal amount of City of Mesa, Arizona, Street and Highway User Revenue Bonds, Series 2007; prescribing the form and other details of the Series 2007 Bonds – Resolution No. 8968.

It was moved by Vice Mayor Walters, seconded by Councilmember Jones, that Resolution No. 8968 be adopted.

Upon tabulation of votes, it showed:

AYES – Hawker-Griswold-Jones-Rawles-Walters-Whalen
NAYS – None
ABSENT – Somers

Mayor Hawker declared the motion carried unanimously by those present and Resolution No. 8968 adopted.

- b. Supplementing the City's Resolution No. 6362, as amended, dated July 29, 1991, pertaining to the issuance of Utility Systems Revenue Bonds and authorizing the issuance and sale of \$65,550,000, Principal Amount of City of Mesa, Arizona Utility Systems Revenue Bonds, Series 2007; prescribing the form and other details of the Series 2007 Bonds – Resolution No. 8969.

It was moved by Vice Mayor Walters, seconded by Councilmember Whalen, that Resolution No. 8969 be adopted.

Upon tabulation of votes, it showed:

AYES – Hawker-Griswold-Jones-Rawles-Walters-Whalen
NAYS – None
ABSENT – Somers

Mayor Hawker declared the motion carried unanimously by those present and Resolution No. 8969 adopted.

- c. Providing for the issuance and sale of \$15,915,000 Aggregate Principal amount of City of Mesa, Arizona, General Obligation Bonds, Series 2007; providing for the annual levy of a tax for the payment of the bonds; prescribing the form and other details of the Series 2007 Bonds – Resolution No. 8970.

It was moved by Vice Mayor Walters, seconded by Councilmember Whalen, that Resolution No. 8970 be adopted.

Upon tabulation of votes, it showed:

AYES – Hawker-Griswold-Jones-Rawles-Walters-Whalen
NAYS – None
ABSENT – Somers

Mayor Hawker declared the motion carried unanimously by those present and Resolution No. 8970 adopted.

3. Items from citizens present.

There were no items from citizens present.

6. Adjournment.

Without objection, the Special Council meeting adjourned at 7:42 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Council meeting of the City Council of Mesa, Arizona, held on the 10th day of May 2007. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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Attachment (1)