

EASTOVER SANITARY DISTRICT  
FEBRUARY 17, 2010

SPECIALLY CALLED MEETING

Chairman, Morgan Johnson called the meeting to order at 11:05 a.m. and Marilyn Johnson opened the meeting with prayer.

Present: Morgan Johnson, Helen Crumpler, Liz Reeser, John Jackson, Adam Riggsbee, Marilyn Johnson, Steve Smith, and Judy Hunt.

There was no public forum permitted at this specially called Board meeting.

- I. Approval of Agenda:  
Liz made a motion to approve the Agenda, Helen seconded, and it was unanimous.
- II. Morgan moved to reopen the January 26, 2010 Board meeting. Liz made a motion to close the January 26, 2010 meeting, Helen seconded and it was unanimous.
- III. Measures concerning the financing of the ESDII Water System project:
  - A. Execute USDA documents regarding additional funding.

Steve Smith of USDA stated that he and Judy Hunt were there to deliver the amended letter of conditions for the supplemental funding of the Phase II Water System. After discussion, Morgan signed the amended letter of conditions as Chairman and Helen signed them as Secretary. This letter amends the original loan in 2006 of \$4.9 million dollars and \$1.0 million dollar grant. This new loan consists of \$1,206,000.00, and new grant in the amount of \$797,700.00. Contributions from a tap fee will increase from \$136,500. to \$177,800. This figure is derived from \$125.00 per tap times the amount of projected users. The total proposed project cost with initial funding and supplemental funding will be \$8,152,500.

Steve also stated that security requirements that \$1,206,000.00 will be secured by revenue bonds, same as the original. Morgan stated that ESD has already invested over \$200,000 in the project. Steve said that ESD would have to have a reserved account for the annual installment of the \$4.9 million dollar loan and also on the \$1,206,000.00 loan. Beginning with the first installment, the District will make annual payments into a debt service account, in an amount equal to 1/10<sup>th</sup> of the average annual installment of the \$4.9 million dollar loan and also \$1,206,000.00 loan. The interest on the \$1,206,000.00 loan will not exceed 3.25%. The original loan of \$4.9 million dollars is approximately 4% to 4.38%.

- B. Execute any resolutions or other documents regarding funding for the ESDII Water System project.

Liz made a motion to accept the Resolution set forth regarding the funding for the ESDII Water System project, Helen seconded and it was unanimous. Morgan signed as Chairman and Helen signed as Secretary.

With no further business, Liz made a motion to adjourn, Helen seconded and it was unanimous.

Respectfully submitted,

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Helen Crumpler, Secretary

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Morgan Johnson, Chairman