

Special Meeting  
February 10, 1992

The meeting was called to order by Mayor Gearhart at 11:55 A. M. in the Council Chambers for purpose of discussing the form of a loan agreement.

Dorothy King discussed information from Don Kliebenstein after his call to Bob Josten. She made the following points:

- Loan can be structured to pay off without limit
- Can make semi-annual payments
- Could be a 10 year amortization with a shorter due date
- Josten can confirm if the City is getting a fair rate from loaning institution
- The two issues cannot be split
- The bonding attorney has a problem dealing with an individual on an issue like this, but if someone is interested they need to contact Josten for a bid packet

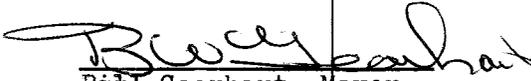
King had set up two amortization schedules using 5 1/2% at 10 years, with a date of March 16th, one with a balloon after 5 years and the other with a balloon after 7 years, as an example.

The first payment would be due 12/92 and then 6/1 and 12/1 of each year after that. The balloon payment would be due 6/1/99. With the 5 year balloon \$129,000 would be due then and with the 7 year balloon \$81,000 would be due.

After some discussion, Sanderson made the motion that the loan agreement be structured on a 10 year amortization schedule with a 7 year balloon payment and early payment being allowed on the balloon. Second by Schiebel. Carried.

The agreement will be finalized at the March 9th meeting.

Motion to adjourn by Sanderson, second by King. Carried.

  
Bill Gearhart, Mayor

Attest:   
Carol Whipple, Clerk