

City of Dawsonville
March 17, 2005
Called Meeting of the City Council

Mayor Cox called the meeting to order at 10:10 a.m.

Roll Call: Those present were Mayor Joe Lane Cox, Council Members Jonathan Cox, Tim Wimpey, and Mike Sosebee, Kim Cornelison, Dana Miles, Gary Barr, Ben Turnipseed and Steve Holder.

Invocation: Mayor Cox led the invocation.

New Business:

Mayor Cox introduced Kathleen Henderson from USDA Rural Development. Ms. Henderson presented the Mayor and Council with the letter of conditions as is required as a part of the grant process.

Ms. Henderson stated that the grant was upgrading the existing wastewater treatment plant capacity from 120,000 gallons per day (gpd) to 350,000 gpd; to acquire additional land for dispensing the effluent on the land application system; to add/replace approximately 5,000 linear feet of sewer lines.

Ms. Henderson recapped the following high points to the letter of conditions:

The maximum loan amount will be \$3,091,100; the maximum grant amount will be \$2,550,400.

The loan will be repayable over 40 years in parity with the series 1997-A, 1997-B, 1997-C and 2003 Revenue Bonds. The interest rate will be 4.5% unless the rate goes down by loan closing. The rate cannot exceed 4.5 % if rates go up. Monthly payments will be \$13,310. Payments will be made via preauthorized debt which the City is currently utilizing on other bonds.

Users will need to be verified and certified by the clerk. User rates must be adopted prior to the beginning of construction.

After the bid process the project can be reassessed; if the project runs over the grant nor the USDA loan will be increased. Increased costs will be the City's responsibility.

The City will be required to maintain adequate insurance coverage for the life of the USDA loan.

General contractors will be required to erect signage at the job site. Signage must meet the signage requirements in the letter of conditions documentation.

The City must assure that the operations of the water and sewer system will be kept separate from other city business.

The City will be required to procure interim financing in the amount of the loan from a local bank.

At pre-loan closing the City will be required to execute a "Water and Waste System Grant Agreement".

The City of Dawsonville and Rural Development will work in conjunction with the US Fish and Wildlife Service to reduce or mineralize the impact of this project on the Etowah and Cherokee darter.

Ms. Henderson verified that Dana Miles, City Attorney, Ben Turnipseed, Engineer for the City and the Mayor, Council and Staff of the City understood that included with the letter of conditions were "Attachment A", "Attachment B" and "Attachment C", and that each would need to timely respond to the items in their designated attachment.

Ms. Henderson then went over the Association Project Fund Analysis that shows how the funds are anticipated to be spent.

Ms. Henderson completed her presentation and asked Mayor Cox to read the opening of the paragraph of the Loan Resolution.

Mayor Cox read the requested text to all in attendance.

Tim Wimpey made a motion to authorize Mayor Cox to execute the Loan Resolution on behalf of the City. Mike Sosebee seconded the motion. The motion carried unanimously.

City Attorney Dana Miles asked the council to consider a motion authorizing the Mayor to execute all of the documentation associated with the resolution and grant process as is required for this meeting.

Jonathan Cox made a motion to authorize Mayor Cox to execute all documentation associated with the Loan Resolution and what was required by the USDA for the purpose of this meeting. Tim Wimpey seconded the motion. The motion carried unanimously.

There being no further business to attend to, at 10:35 a.m. a motion was made by Tim Wimpey to adjourn the meeting. Jonathan Cox seconded the motion. The motion carried unanimously.

Minutes approved this 4th day of April, 2005.

Joe Lane Cox, Mayor

Councilman Jonathan Cox

Councilman Tim Wimpey

Councilman Mike Sosebee

Councilman Mike Wilson

Attested: _____
Kim Cornelison, City Clerk