

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION SPECIAL MEETING MINUTES
4:00 P.M., COMMISSION CHAMBERS
JUNE 25, 2010**

**RON GRIGGS, MAYOR
ED COLE, MAYOR PRO-TEM
MARION LEDFORD, COMMISSIONER
JOE FERGUSON, COMMISSIONER
ROBERT RENTSCHLER, COMMISSIONER**

**JOSH RARDIN, COMMISSIONER
AARON RANCE, COMMISSIONER
MARK ROATH, CITY MANAGER
STEPHEN THIES, CITY ATTORNEY
RENEE CANTIN, CITY CLERK**

CALL TO ORDER & ROLL CALL

Mayor Griggs called the meeting to order at 4:00 p.m. Roll Call was taken by the City Clerk. Commissioner Ledford and Commissioner Rentschler were absent.

NEW BUSINESS

- 1. Approve Resolution No. 2010-18 repealing and replacing Resolution No. 2010-17, and approving the issuance and sale of Series 2010 Hospital Improvement and Refunding Revenue Bonds for the Gerald Champion Regional Medical Center (GCRMC).**

Mayor Griggs read the agenda report and mentioned the resolution and supporting documentation has been handed out. He then turned the floor over to City Manager Roath.

City Manager Roath wanted to defer to the hospital representatives who wished to speak on this issue. Steve Lovett is the General Council for the Hospital and he has Mike Davis, who is a representative of the investment banker who is the underwriter, Morgan Keegan. Mr. Lovett said before you is the amendment, which is a slight change to the resolution, and we asked Mr. Davis to explain why there were changes. Mike Davis thanked the Commission and said as we discussed the other evening, pursuant to the announcement of several medical malpractice law suits associated with the hospital, our investors too pause, given the uncertainty of the nature of the transaction and any financial repercussions that may arise as a result of that. We went back to the investors on Wednesday, to try and hold everybody at the existing rates, with the terms and conditions that were presented to the Commission Tuesday evening. These terms were subject to the bond purchase agreement that they were gracious enough to hold out thorough that day and subsequently through Thursday. Unfortunately, we found ourselves in the position where we needed to re-price the bonds, effectively raising the interest rates slightly for the serial and term bonds associated with the transaction. The overall increase of the bond is approximately 18 base points, to the hospital. The hospital has consented to that rate increase, and we can, and we have confirmed the orders today, and hopefully, with the Commission's approval, we can go to the board this afternoon with the purchase. Assuming the approval thereof, we will proceed to close the bond issue, next Wednesday, June 30th, and the prior bond issue, the 2007 issue, will be refunded and taken out on July 1st.

Commissioner Ledford joined the meeting at 4:02 p.m.,

Commissioner Rance wanted clarification, the overall fiscal impact is at no cost to the City, is that correct. Mr. Davis said that is correct.

Mayor Griggs asked if there were any additional questions of Mr. Lovett or Mr. Davis. Hearing no additional comments, he asked for a motion to approve the resolution.

Commissioner Ferguson moved to approve Resolution No. 2010-18. Mayor Pro-Tem Cole seconded the motion. Roll call vote was taken. Motion carried by a vote of 6-0-0.

Mr. Davis wanted to thank the City Commission for taking the time to meet with them to get this matter resolved. Mayor Griggs thanked Mr. Lovett and Mr. Davis for being there.

ADJOURNMENT

The meeting adjourned at 4:04 p.m.





City Clerk Renee L. Cantin



Mayor Ron Griggs

*(Prepared by Marsha D. Brady, Deputy Clerk)
Approved at the Regular Meeting held on July 13, 2010.*