

# AHLERS & COONEY, P.C.

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December 16, 2008

**VIA E-MAIL**

Ms. Sarah E. Kautz  
Scott County Budget Manager  
416 W. 4th Street  
Davenport, IA 52801-1187

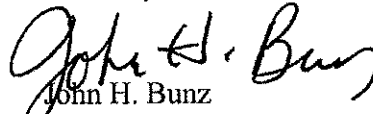
RE: \$2,000,000 Scott County, Iowa  
Sports Facility Revenue Bonds  
(Quad City Sports Center Association Project)  
Series 1997 (2008 Reissuance)

Dear Ms. Kautz:

Attached are proposed proceedings for consideration by the Board of Supervisors of Scott County, Iowa, on December 23, 2008, regarding a deferral of the maturity date on two of the above-referenced Bonds and authorizing the execution of a Modification Agreement related thereto. A copy of this letter to John Blackman is a reminder that a representative of Quad City Sports Center Association should be present at the meeting to answer any questions which the members of the Board of Supervisors may have.

If the attached proceedings are satisfactory, we would appreciate your printing and returning two completed copies to us.

Sincerely,

  
John H. Bunz  
FOR THE FIRM

JHB:ej

Enclosures

cc: John Blackman  
Dave Claypool, Esq.

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Scott County, Iowa, December 23, 2008.

The Board of Supervisors of Scott County, Iowa, met on the above date in the Scott County Courthouse Boardroom, 416 W. 4th Street, Davenport, Iowa, at \_\_\_\_\_ .m., in open regular session, pursuant to law and the rules of said Board of Supervisors.

The meeting was called to order by Chairperson, \_\_\_\_\_, presiding, and on roll call the following named Board members were present:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent:

\_\_\_\_\_  
\_\_\_\_\_

\* \* \* \* \*

Matters were discussed relative to the reissuance of the County's Sports Facility Revenue Bonds (Quad City Sports Center Association Project) Series 1997 originally issued in the aggregate principal amount of \$2,000,000 and the authorization of a Modification Agreement to provide for the deferral of maturity of Bond No. R-8 in the principal amount of \$130,000, to provide for the deferral of maturity of Bond No. R-10 in the principal amount of \$1,000,000, and to change the interest rates of Bond No. R-8 and Bond No. R-10. Following a discussion of the proposal, Board Member \_\_\_\_\_ introduced the following Resolution in written form and moved its adoption. Board Member \_\_\_\_\_ seconded the motion to adopt. After due consideration of said motion, the roll was called and the Resolution was adopted by the following vote:

AYES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_  
\_\_\_\_\_

The Resolution was thereupon signed by the Chairperson and in evidence of approval was attested by the County Auditor and declared to be effective. The Resolution is as follows:

RESOLUTION NO. \_\_\_\_\_

"RESOLUTION REGARDING THE REISSUANCE OF THE SPORTS FACILITY REVENUE BONDS, (QUAD CITY SPORTS CENTER ASSOCIATION PROJECT), SERIES 1997, OF SCOTT COUNTY, IOWA AND AUTHORIZING THE EXECUTION AND DELIVERY OF A MODIFICATION AGREEMENT; AND RELATED MATTERS."

WHEREAS, Scott County, Iowa (the "Issuer"), is a county and political subdivision organized and existing under the Constitution and laws of the State of Iowa, and is empowered by the provisions of Chapter 419 of the Code of Iowa, 2005, as amended (the "Act") to issue revenue bonds and to loan the proceeds to one or more parties to be used to pay the cost of acquiring, constructing, improving and equipping a "project", as that term is defined in the Act, including land, buildings, and improvements suitable for use as a facility for an organization described in Section 501(c)(3) of the Internal Revenue Code which is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the "Tax Exempt Organization") and to retire any existing indebtedness on a facility for a Tax Exempt Organization; and;

WHEREAS, Quad City Sports Center Association, an Iowa nonprofit corporation (the "Borrower") has provided for (i) refinancing existing indebtedness, the proceeds of which were used to finance the costs of constructing, improving, equipping and furnishing of the existing skating arena facility located at 700 West River Drive, Davenport, Iowa, and (ii) conversion of a portion of the existing skating arena facility into a second skating arena and purchase of related equipment (the "Project") within the boundaries of the Issuer; and

WHEREAS, to provide financing for the Project, the Issuer has previously issued its Sports Facility Revenue Bonds (Quad City Sports Center Association Project) Series 1997 (the "Bonds") in the original principal amount of \$2,000,000 and has loaned the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement dated as of November 1, 1997 between the Issuer and the Borrower (the "Loan Agreement"), the obligation of which is sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds as and when the same shall be due and payable; and

WHEREAS, to induce Quad City Bank and Trust Company, Bettendorf, Iowa (the "Lender") to purchase the Bonds, the Issuer assigned its rights to repayment of the Bonds to the Lender pursuant to a Pledge Agreement dated as of November 1, 1997 by and between the Issuer and the Lender; and

WHEREAS, the Lender has agreed to defer the maturity date of Bond No. R-8 in the amount of \$130,000 (the "No. R-8 Bond") from May 1, 2008 to December 1, 2013, to defer the maturity date of Bond No. R-10 in the principal amount of \$1,000,000 (the "No. R-10 Bond") from May 1, 2008 to December 1, 2013, and to provide for a change in the interest rates for both bonds to 6.00%; and

WHEREAS, pursuant to Treasury Regulation 5f.103-2(b)(i)(ii), the Issuer must hold a public hearing under Section 147(f)(2) of the Code; and

WHEREAS, it is deemed necessary and advisable that the Issuer authorize the execution of a Modification Agreement (the "Modification Agreement") and the substitution of a revised page of the Bond to reflect the terms of the Modification Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Scott County, Iowa as follows:

Section 1. **Authorization of Modification Agreement.** In order to provide for a change in maturity date of the No. R-8 Bond to December 1, 2013, and for a change in the interest rate on the No. R-8 Bond to 6.00%, the Lender and Issuer have agreed to substitute Bond No. R-8; and to provide for a change in the interest rate on the No. R-10 Bond to 6.00% and to change the maturity date of the No. R-10 Bond to December 1, 2013, the Chairperson and County Auditor shall execute, attest, seal, and deliver in the name and on behalf of the Issuer, the Modification Agreement in substantially the form submitted to the Board of Supervisors which is hereby approved in all respects.

Section 2. **Authorization of Substitution of Bond No. R-8 and Bond No. R-10.** It is hereby authorized that a substituted bond for Bond No. R-8 and Bond No. R-10 shall be prepared and be delivered to the Lender for substitution in order to carry out and reflect the revised terms set forth in the Modification Agreement.

Section 3. **Miscellaneous.** The Chairperson and County Auditor are hereby authorized and directed to execute, attest, seal, and deliver any and all documents and do any and all things deemed necessary to effect the Modification Agreement and substitution of Bond No. R-8 and Bond No. R-10, and to carry out the intent and purpose of this Resolution, including the preamble hereto.

Section 4. **Severability.** The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not effect the validity of the remainder of the sections, phrases and provisions.

Section 5. **Repealer.** All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict; provided, however, except to the extent of such conflict and as provided herein and in the Modification Agreement, all provisions of prior resolutions of the Board of Supervisors, and all provisions of the Loan Agreement and the Bonds, and the respective obligations of the parties thereunder shall remain unchanged and in full force and effect.

Section 6. **Effective Date.** This Resolution shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this 23rd day of December, 2008.

SCOTT COUNTY, IOWA

(SEAL)

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
County Auditor

AUDITOR'S CERTIFICATE

I, the undersigned, being first duly sworn do hereby depose and certify that I am the duly appointed, qualified, and acting County Auditor of Scott County, Iowa; that as such I have in my possession, or have access to, the complete corporate records of said County and of its Board of Supervisors and officers; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; and that said transcript hereto attached is a true, correct and complete copy of all the corporate records showing the action taken by the Board of Supervisors of said County at a meeting open to the public on December 23, 2008, for the purpose of considering a resolution relating to the reissuance of the Sports Facility Revenue Bonds (Quad City Sports Center Association Project) Series 1997, of Scott County, Iowa and authorizing the execution and delivery of a Modification Agreement; and related matters; that said proceedings remain in full force and effect and have not been amended or rescinded in any way; that said meeting and all action thereat was duly and publicly held, with members of the public in attendance, in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board of Supervisors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Supervisors (a copy of the face sheet of said agenda being attached hereto) pursuant to the local rules of the Board of Supervisors and the provisions of Chapter 21, Iowa Code, and upon reasonable advance notice to the public and media at least 24 hours prior to the commencement of the meeting as required by said law.

Witness my hand and the Corporate Seal of said County hereto affixed this \_\_\_\_\_ day of December, 2008.

(Seal)

\_\_\_\_\_  
County Auditor

(This Notice to be Posted)

NOTICE AND CALL OF MEETING

Governmental Body: The Board of Supervisors of  
Scott County, Iowa

Date of Meeting: December 23, 2008

Time of Meeting: \_\_\_\_\_ . m

Place of Meeting: Scott County Courthouse Boardroom  
416 W. 4th Street  
Davenport, Iowa

PUBLIC NOTICE IS HEREBY GIVEN that the above-mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

1. Resolution Regarding the reissuance of the Sports Facility Revenue Bonds (Quad City Sports Center Association Project) Series 1997, of Scott County, Iowa and authorizing the Execution and Delivery of a Modification Agreement; and related matters.
2. Such additional matters as are set forth on the additional \_\_\_\_\_ page(s) attached hereto (attach copy of agenda).

This notice is given at the direction of the Chairperson, pursuant to Chapter 21, Iowa Code, as amended, and the local rules of said governmental body.

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County Auditor