



June 26, 2009

SENT VIA FAX

Mr. Thomas Stoffel
Treasurer
City of Menasha
140 Main Street
Menasha, WI 54952

Re: City of Menasha Steam Utility Revenue Bond Anticipation Notes

Dear Mr. Stoffel:

I appreciate the City of Menasha coordinating the bondholder meeting last week; however, I must state I was very disappointed in the outcome. I sensed a real lack of urgency on the part of the City to address the repayment of its financing. With default looming only two and a half months away, I expected much more preparation and progress in analyzing and assessing potential revenue sources on the part of the City.

Neither the residents of the City nor the bondholders benefit from a default. As a bondholder, the California Dental Association is willing to work with your City and other bondholders to structure a plan ensuring full repayment of the City's steam utility debt. I am aware of, and support, the short-term proposal set forth on June 19, 2009 by Mr. James Chatterton of American Bank. Mr. Chatterton's proposal calls for the utilization of reserves of approximately \$3.4 million to reduce the revenue bonds maturing September 1, 2009 with a 90-day extension for the City to develop a long-term repayment plan. I am hopeful the City and the bondholders can arrive at a mutually beneficial resolution to this issue.

In addition, pursuant to the Wisconsin Public Records Law (WI Statutes sections 19.31-19.39), I am requesting a list of all current holders (as of June 1, 2009) of the steam utility revenue bond anticipation notes maturing September 1, 2009. Please include all contact information including, but not limited to, the bondholder's name, address, phone number and e-mail address, as well as their bondholding. Please send this information to my attention at 1201 K Street, 14th Floor, Sacramento, CA 95814.

Thank you for your prompt attention to this matter.

Cordially,

A handwritten signature in black ink, appearing to read "R. F. Spinelli", written over a horizontal line.

Robert F. Spinelli, CPA
Chief Financial Officer

cc: Mayor Donald Merkes
Ms. Deborah A. Galeazzi, City Clerk
Mr. Charles Forest, Stern Brothers & Co.
Mr. James Chatterton, American Bank
Mr. Thomas Graff, Cavanaugh Capital Management
Mr. Robert MacMillan, Prime Advisors

California Dental Association

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