

A special meeting of the Borough Council was held August 27, 2012, 7:30 p.m.

The following members and officers were present: President L. James Roberts, Vice President Donald Rosenberger, Councilmembers David Erwin, Michael Johnson, Douglas Propst, Edward Scholl and Daniel Williams, Solicitor Charles Fonzone and Manager Scott C. McElree.

President Roberts stated that tonight's meeting has been advertised to consider an Ordinance regarding refinancing of a debt.

REVENUE & FINANCE COMMITTEE

RESOLVED, That, reading of Ordinance 1195, authorizing the incurrence of debt of the Borough of Quakertown by the issuance of **[\$7,995,000]** general obligation bonds, series of 2012 for the purpose of providing funds for and towards a refinancing program and paying the costs of issuing the bonds; authorizing the preparation and filing of a debt statement and other documentation; covenanting to create a sinking fund and to budget, appropriate and pay debt service on the bonds and pledging the full faith, credit and taxing power of the Borough for the bonds; setting forth the substantial form of bonds; setting forth the stated principal maturity amounts and dates, interest rates and interest payment dates, place of payment, sinking fund provisions and other details of the bonds; authorizing the execution of a continuing disclosure agreement; finding that a private invited sale of the bonds is in the best financial interest of the Borough and accepting a proposal for the purchase of the bonds; appointing a paying agent and sinking fund depository; designating the bonds as qualified tax exempt obligations; stating authority for enactment of ordinance; stating that ordinance is a contract with registered owners of bonds; setting forth a severability clause; cancelling and annulling inconsistent ordinances; and authorizing other necessary action, be waived. Motion of Councilman Rosenberger, seconded by Councilman Scholl. **A ROLL CALL VOTE WAS TAKEN AND THE MOTION WAS UNANIMOUSLY CARRIED.**

RESOLVED, That, Ordinance 1195, authorizing the incurrence of debt of the Borough of Quakertown by the issuance of **[\$7,995,000]** general obligation bonds, series of 2012 for the purpose of providing funds for and towards a refinancing program and paying the costs of issuing the bonds; authorizing the preparation and filing of a debt statement and other documentation; covenanting to create a sinking fund and to budget, appropriate and pay debt service on the bonds and pledging the full faith, credit and taxing power of the Borough for the bonds; setting forth the substantial form of bonds; setting forth the stated principal maturity amounts and dates, interest rates and interest payment dates, place of payment, sinking fund provisions and other details of the bonds; authorizing the execution of a continuing disclosure agreement; finding that a private invited sale of the bonds is in the best financial interest of the Borough and accepting a proposal for the purchase of the bonds; appointing a paying agent and sinking fund depository; designating the bonds as qualified tax exempt obligations; stating authority for enactment of ordinance; stating that ordinance is a contract with registered owners of bonds; setting forth a severability clause; cancelling and annulling inconsistent ordinances; and authorizing other necessary action, be passed finally. Motion of Councilman Rosenberger, seconded by Councilman Propst.

MR. GORDON WALKER OF PUBLIC FINANCIAL MANAGEMENT, TOLD COUNCIL THAT TODAY INTERNET BIDS WERE TAKEN FOR THE REFINANCING OF THE TWO NOTES WITH PENNYEST, ONE FOR WATER AND ONE FOR SEWER. HE INDICATED THAT EIGHT FIRMS HAD BID WITH A TOTAL OF 53 BIDS RECEIVED. THE WINNING BID IS THAT OF ROBERT BAIRD, A MID-WESTERN FIRM, WITH A TRUE INTEREST COST OF 2.256974. HE POINTED OUT THE DEBT PAYMENT AMOUNTS FOR THE WATER AND FOR THE SEWER. HE ALSO POINTED OUT THE EXACT AMOUNTS TO BE PAID TO PENNYEST AND INDICATED THAT THESE ARE THE AMOUNTS THAT WILL BE WIRED WHEN THE ISSUE IS CLOSED ON SEPTEMBER 27, 2012. THE SAVINGS BY

DOING THE REFINANCING FOR BOTH THE WATER AND SEWER IS \$664,605.64.

A ROLL CALL VOTE WAS TAKEN AND THE MOTION WAS UNANIMOUSLY CARRIED.

PRESIDENT ROBERTS DECLARED THE SPECIAL MEETING ADJOURNED.

BOROUGH OF QUAKERTOWN

L. James Roberts, Jr.
President of Council

Attest:

Phyllis R. Ewing
Asst. Borough Secretary