

WAYNESBORO BOROUGH AUTHORITY

SEPTEMBER 10, 2019

MINUTES

Authority Chairman Jon Fleagle called the special meeting of the Waynesboro Borough Authority to order at 6:00 p.m. with the following in attendance:

Borough Authority Members – Todd Blake, Jon Fleagle, Lee Layman, S. Allen Stine and William Pflager (via telephone)

PROPOSAL TO REFINANCE EXISTING LOAN WITH BOND ISSUE: Scott Kramer of RBC Capital Markets was present to discuss the feasibility of refinancing the WBA's existing bank loan for WWTP upgrades for a potential net savings of \$343,370. He provided WBA members with information on interest rate trends over the past 10 years, noting there has been a significant decrease in the last sixty (60) days. He anticipates a <2% interest rate for the life of the loan.

Mr. Kramer noted that they may also be able to assist with the WBA's upcoming capital projects, and will look into that more as they are nearing.

He explained that the documentation process and restrictions involved in bond issues now is much easier than in the past (his firm prepared a bond issue for the WBA in the 1980's), as it is very similar to that of conventional bank loans.

Chairman Fleagle noted that the WBA will discuss this matter further and will let him know in the very near future how they wish to proceed. They do feel it is worthwhile pursuing.

Todd Blake then made a motion to pursue refinancing the existing F&M bank loan through the bond market. Allen Stine seconded; the motion passed unanimously. Chairman Fleagle will contact Mr. Kramer in the morning regarding their decision, and will ask Leiter Pryor to contact him on Monday (09/16) when he returns from vacation to begin the process.

MANAGEMENT AGREEMENT (WATER AND SEWER SYSTEMS) BETWEEN WAYNESBORO BOROUGH AUTHORITY AND THE BOROUGH OF WAYNESBORO:

Chairman Fleagle noted that this agreement has been "in the works" for nearly two (2) years, during which time numerous meetings and discussions were held with the Borough's Utility Committee and Solicitor. He is pleased to report that this version of the agreement accurately outlines the manner in which the water and sewer systems are currently operated and the relationship between the two entities. A minor typographical error was pointed out on page 13; and contingent upon that correction

being made, Lee Layman made a motion to approve the Management Agreement as presented. William Pflager seconded; the motion passed unanimously.

Mr. Fleagle noted that Borough Council approved the resolution extending the life of the WBA, but did not sign the resolution until this Management Agreement was agreed upon by both entities. Both documents will be presented for the Council President's signature as soon as possible.

Having no further business to discuss, the meeting adjourned at 6:59 p.m. on a Blake/Stine motion which passed unanimously.

Respectfully Submitted,

Melinda S. Knott
Office Supervisor