Joint Maidencreek Township Boards Meeting
September 27, 2023
6:00 p.m.

Attendance: David Franke, Josh Meck, Jack May, Dan Novakovich, James Nothwehr, and Thomas Evanosky. Staff: Patrick Donovan, Hunter Ahrens. Guests: Jamie Schlesinger, PFM; Peter Edelman, Stevens & Lee

Absent: Heidi Fiedler, Joe Rudderow.

Supervisor Dave Franke called the meeting of the Board of Township Supervisors to order at 6:04 PM.

Dave Frake made a motion to accept and amend the agenda to include the purchase of a backup generator for the Fire Company. Joshua Meck seconded the motion. Passed unanimously.

Board Chair Jack May called the meeting of the Maidencreek Township Authority to order at 6:07 PM

Dan Novakovich made a motion to accept the agenda. Jim Nothwehr seconded the motion. Passed unanimously.

Business

Public Financial Management Presentation

Dave introduced Jamie Schlesinger on behalf of PFM Financial Advisors, LLC to present on the bond issuance. Mr. Schlesinger summarized that the items on the agenda were to authorize borrowing by the Township and the Authority. Mr. Schlesinger commented that the bonds were to pay for Wells 6 & 7 Projects, as well as other projects that are being looked at. He also shared that PFM would be setting up the rating call with Standard and Poor's (S&P).

Mr. Schlesinger introduced the concept of the Township guaranteeing the bonds with the Township's tax base through an ordinance. Mr. Novakovich asked if the Township was considering a bond issuance, Mr. Franke responded that no decisions were made, but that they had reviewed financial options for that possibility. Mr. Schlesinger indicated that further issuances would receive tax exemptions as of January 1st of the next year.

Mr. Schlesinger discussed the interest rates market in the past month had slightly increased but were still in an acceptable range for recent financial indicators. Mr. Schlesinger indicated that there would be charges in arrears for the interest and principal of the bonds that would see the annual debt service steadily rise. Mr. Schlesinger indicated that the interest rates were anticipated to be between 4.5% - 5.0%. He shared that the concept of the proceeds was to invest them into higher-yielding accounts, so the Authority benefits from the cash pool before it is spent.

Interest payments will be paid in April of each year, and principal payments will be paid in September or October of each year. Mr. Schlesinger indicated that there was additional staff work needing to be completed and would be done in the next few weeks, but the staff had already provided a significant amount of information to PFM. Mr. Schlesinger added that the ordinance requests over six million dollars, but the intended borrowing is for five million dollars. The law requires a maximum amount rather than the intended amount.

Mr. Evanosky requested what the intended charge would be for PFM and Bond Counsel's fees would be. Mr. Schlesinger responded that the issuance cost would total approximately $182,000.00.

Peter Edelman introduced himself as the bond counsel for the transaction and explained the purpose of the resolution for the Authority and the ordinance for the Township. Mr. Edelman shared that the solicitors for the Authority and the Township had received copies of the resolution and provided comments. Jim Nothwehr asked if the staff had received any feedback from the solicitor. Mr. Edelman responded that he signed off on the draft.

Dan Novakovich motioned to approve Resolution 2023-09-01 to issue bonds. Tom Evanosky seconded the motion. Hearing no questions on the motion, all members voted, "Aye." Motion passed.

Peter Edelman shared that the ordinance was a guarantee for the bonds that pledge the taxing authority of the Township. Mr. Edelman emphasized that there were no impacts on future borrowing. Mr. Franke shared that he had spoken with the Township's Solicitor and he responded that he had no concerns.

Josh Meck motioned to approve Ordinance 257 to Guaranty Bonds for Maidencreek Township Authority. Dave Franke seconded the motion. Hearing no questions on the motion, all members voted, "Aye." Motion passed.

Mr. Ahrens indicated that he was concerned that the agenda amendment for the generator may not be proper to act on this evening as it spends money, and he believed that may require a different procedure to adopt.

Mr. Franke announced a Strategic Planning Workshop meeting on October 16, 2023, at 7:00 PM at the Township Building.

Tom Evanosky motioned to adjourn the meeting of the Maidencreek Township Authority. Seconded by Dan Novakovich passed unanimously and adjourned at 6:31 PM.

<u>Emergency Generator Purchase</u>

Mr. Franke called Eric Frey, Solicitor, and asked for clarification to confirm that the Board could act on the item this evening. The Solicitor confirmed that because it was an emergency, the Township should be comfortable approving the purchase.

Josh Meck motioned to approve the purchase of a generator for the Fire Company for the price of $16,599. Dave Franke seconded the motion.

Mr. Franke announced the dates for future meetings.

Josh Meck motioned to adjourn the Maidencreek Township Special Joint meeting. Seconded by Dave Franke. Passed unanimously and adjourned at 6:40 PM.