Minutes

Special Called Meeting
Board of Commissioners
July 29, 2009
6:30 P.M.

The Board of Commissioners of Fayette County, Georgia, met in a Special Called Meeting on Wednesday, July 29, 2009 in the Commissioners Conference Room at the Fayette County Administrative Complex, 140 Stonewall Avenue, Fayetteville, Georgia.

Commissioners Present:	Herb Frady, Vice Chairman Lee Hearn Eric Maxwell
Commissioners Absent:	Jack Smith, Chairman Robert Horgan
Staff Present:	Jack Krakeel, County Administrator Scott Bennett, County Attorney Carol Chandler, Executive Assistant Karen Morley, Chief Deputy Clerk

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Vice Chairman Herb Frady called the meeting to order.

Vice Chairman Frady noted for the record that Chairman Smith and Commissioner Horgan were absent.

A. CONSIDERATION OF A RESOLUTION FOR THE APPROVAL OF THE ISSUANCE OF FAYETTE COUNTY WATER SYSTEM REVENUE BONDS, SERIES 2009:

County Administrator Jack Krakeel remarked that over the course of the last two years staff had been diligently working to find ways to not only look at the current bond indebtedness but whether or not there was any value in refinancing any of the County's current debt structure to take advantage of better interest rates and ultimately savings that could be achieved by a refinancing of that debt. He said this would include both the 1998 Series Revenue Bonds for the Water System as well as seven outstanding Georgia Environmental Facility Authority loans consolidating those and paying those off by issuing new debt to cover the refinancing of those bonds. He said in addition, the County was at the cuspid of beginning the construction for the dam at Lake McIntosh which would require additional revenues to complete the Lake McIntosh project. He said this would be an aggregate total amount to reflect all of those initiatives.

Jamie Wilson representing Merchant Capital stated that he had been working with the County for several months on this transaction. He said the rate reduction for these bonds would produce a gross savings in the aggregate of $2,463,851 and on the present value basis it would save $1,954,867 or approximately 9.19%.

Commissioner Maxwell asked for the date of the closing and Mr. Wilson replied that the closing would be held on August 27th. He noted that the rates for the bonds would be set today when the Board approves and executes the documents.

County Administrator Jack Krakeel remarked that there had been a Request for Proposals for this service. He said staff had gone through this process and evaluated and analyzed the proposals offered by three different firms and had chosen Merchant Capital to handle this. It was noted that the purpose of the bond issue, which will be funded through Water System revenues, is to refund existing Water System bonds and to issue new debt for the construction of the Lake McIntosh water reservoir project.

Mr. Krakeel introduced Kenneth Pollock with the firm of McKenna, Long & Aldridge as the Bond Counsel for this process. Attorney Pollock discussed the Series 2009 Bond Resolution Amendment setting forth all of the terms and interest rates for water revenues. He noted for the record that the amount of the bond was $36,340,000.

Commissioner Maxwell made a motion to authorize the Vice Chairman to execute a Resolution for the approval of the issuance of Fayette County Water System Revenue Bonds, Series 2009 in the amount of $36,340,000 and a Bond Purchase Agreement to authorize Merchant Capital to facilitate the transaction. Commissioner Hearn seconded the motion. The motion carried 3-0. Chairman Smith and Commissioner Horgan were absent. A copy of the Resolution and the Bond Purchase Agreement, identified as “Attachment No. 1", follows these minutes and is made an official part hereof.

County Administrator Jack Krakeel said he wanted to thank Chief Finance Officer Mary Holland and her staff for the enormous amount of work that had been accomplished over the course of the last three weeks. He said Ms. Holland and her staff had literally been working until midnight to get this done. He pointed out that the analyst who had reviewed these documents and preliminary statements said it was the most comprehensive preliminary official statement that she had seen. He also thanked Attorney Pollock, Jamie Wilson and County Attorney Scott Bennett for all of their hard work. Ms. Holland said she would like to recognize Assistant Finance Director Toni Jo Howard who was really instrumental in getting this information done and getting it through the audit staff.

Hearing nothing further to come before the Board, Vice Chairman Herb Frady adjourned the meeting at 7:00 p.m.

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Karen Morley, Chief Deputy Clerk Jack R. Smith, Chairman

The foregoing minutes were duly approved at an official meeting of the Board of Commissioners of Fayette County, Georgia, held on the 13th day of August, 2009.

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Karen Morley, Chief Deputy Clerk