

The Board's Minutes of the East Donegal Township Board of Supervisors
Held on July 9, 2014

A special meeting of the Board of Supervisors of East Donegal Township was held on Wednesday, July 9, 2014 at 7:00 AM in the East Donegal Township Municipal Building, 190 Rock Point Road, Marietta, PA 17547.

The meeting was called to order by Supervisor Dennis Drager.

Roll call of Supervisors: Present were Dennis J Drager, Chairman; Allen D. Esbenshade, Vice Chairman; John Murphy, Member.

Public attendance is attached.

Supervisor Murphy opened the meeting with a Prayer and Pledge to the Flag.

Mr. Jamie Schlesinger, Public Financial Management, Inc. (PFM) was present to discuss his proposal letter dated July 9, 2014 for services as financial advisor to the Township to evaluate financing options available for the Township building renovation/addition project. Services include assisting in determining financing structure, assistance in retaining Bond Counsel services, the creation of a term sheet to provide to local and regional banks, distribution of proposal requests to lending institutions, analysis of proposal received and, based on proposal received, formulate a financing recommendation to the Board. PFM would then assist with the completion of the transaction. The fee for services to be provided are not to exceed \$14,500 with anticipated costs of \$750. PFM is paid for services provided to the Township at the settlement of the financing. If financing is not secured by the Township, PFM does not get paid.

A motion was made by Mr. Murphy, and seconded by Mr. Esbenshade, to accept the proposal presented by Public Financial Management, Inc. for financial advisory services outline in the July 9, 2014 letter from Jamie Schlesinger. Vote: Mr. Murphy, yes; Mr. Esbenshade, yes; and Mr. Drager; yes.

Mr. Schlesinger presented a proposed timeline for the financing acquisition process. Given the authority to proceed, Mr. Schlesinger could have lending institution proposal for the Board to consider at the August 7, 2014 meeting. With the proper notification to the Pennsylvania Department of Community and Economic Development, settlement of the financing could occur on or before September 15, 2014.

Mr. Schlesinger reviewed a list of local and regional lending institutions that PFM typically provides the opportunity to submit proposals on municipal financing requests. Mr. Murphy noted that he works with Union Community Bank, which is on the list. Mr. Schlesinger indicated that Union Community Bank is one routinely notified of financing opportunities and was on the list prior to any interaction with the Township Board of Supervisors.

There was general discussion regarding the terms for the request for proposals from lending institutions. Mr. Schlesinger reviewed options with 10, 15 and 20 year maturity terms. In addition, the Board discussed the need for a cap rate on the loan.

A motion was made by Mr. Murphy, and seconded by Mr. Esbenshade, to authorize Mr. Schlesinger to prepare and circulate a request for proposal for financing the Township Building renovation/addition project, seeking an amount of \$2.5 million for 15 years and a rate cap of 4.5%. Vote: Mr. Murphy, yes; Mr. Esbenshade, yes; and Mr. Drager; yes.

Announcements

None.

The next regular meeting of the Board of Supervisors will be held on Thursday, August 7, 2014 at 7:30 PM.

Adjourn: A motion was made by Mr. Murphy and seconded by Mr. Esbenshade to adjourn at 7:47 AM.

Respectfully Submitted,
Jeffrey L. Butler, Township Secretary