

# OXFORD AREA SEWER AUTHORITY

## SPECIAL BOARD MEETING AUGUST 9, 2006

The Chairman, Bob Yeatman, called the meeting to order at 7:00 p.m. Roll call showed the following Board members in attendance: Robert Cantarera, Percy Reynolds, Frank Lobb, Neil Pagano, Philip Brenner, and Bob Yeatman. Also in attendance were Edward Lennex, Executive Director; Blair Fleischmann, Stephen Frost, Jamie Sundermier, and Joel Brown.

Pledge Allegiance and Moment of Silence.

### **AUDIENCE COMMENTS:**

There were none at this time.

The Chairman introduced the Finance and Bond Committee and turned the meeting over to the Executive Director for a report. The Executive Director turned the report over to Michael Wolf, underwriter for Boenning & Scattergood, Inc. and David Hamilton, bond counsel with Pepper Hamilton LLC. Mr. Wolf presented three documents to the Board's attention: 1) the Bond Purchase Agreement; 2) the Preliminary Official Statement dated August 4, 2006; and a resolution for Board approval which authorizes the sale of the bonds and all related material and actions.

Mr. Wolf briefly explained certain financial aspects and terms related to the issuance of \$3,280,000 sewer revenue bonds with an average coupon rate of 4.286%. He discussed the positive rating the Authority had obtained from the rating agencies, which in turn aided in receiving favorable bond insurance. In addition Mr. Wolf described the Sources and uses for the bond proceeds. Mr. Wolf also detailed the individual coupon rate by year with the corresponding debt service payment.

Settlement for the issue will be August 29, 2006. Mr. Wolf now turned the report over to David Franklin. Mr. Franklin presented the Resolution Authorizing the sale and the Supplemental Trust Indenture dated August 15, 2006.

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The 2006 Bonds are being issued under the original 1998 Trust Indenture and they are supplemental to that Indenture, therefore the need for the Official Supplemental Indenture. The Resolution authorizes the acceptance of the Bond Purchase Agreement for \$3,280,000, the interest rates, and the redemption feature. The Resolution approves the Supplemental Trust Indenture, the Preliminary Official Statement, and authorizes everything else needed in order to go to Settlement on August 29, 2006.

The Chairman asked for questions and after a brief discussion regarding the Authority's Solicitor's review of the documents and her approval, a motion was made by Mr. Robert Cantarera and seconded by Mr. Neil Pagano, for adoption of the resolution and the Board unanimously approved the Resolution.

## **EXECUTIVE DIRECTOR'S REPORT**

The Executive Director related information regarding a list of current projects under review and a brief presentation was given on each item.

The first project reviewed was the Authority's Ross Farm Spray Fields. Currently TCI and ARRO are finalizing the submittal of the Soil & Hydrogeologic Evaluation to PADEP and as soon as it is ready the Executive Director will hand deliver it. The preliminary investigation indicates that 405,000 can be discharge on a daily basis to the farm.

Mr. Lobb raised a point that although DEP will establish a discharge volume whether drip or spray, it is in the best interest of the Authority from a planning and operational standpoint to use a value lower as a safety precaution.

The second project to be discussed was the Martin Tract, which is scheduled for a Conditional Use hearing in Lower Oxford Township with the Authority as the applicant. This disposal and lagoon site area is part of the infrastructure the developer must provide under the terms of the Developers Agreement.

The third project discussed was the Hickory Hill Development prepared submittal of their Part II Water Quality Management permit for the treatment plant and disposal facilities.

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The Executive Director reported he had reviewed the submittal and was waiting for ARRO's review comments. The director further reported that based on ARRO's comments, he would try to have a letter drafted for the Board meeting stating that the Authority supported the submittal.

The fourth project discussed was the Meadowview Estates "Sewage Facilities Planning Module" under review. There had been two memos previously sent to the Board regarding this project and a letter from the attorney for the developer agreeing to clarification of language to be used in the module. The module is being submitted with two options for sewage disposal: a gravity sewer system; or a community treatment plant disposal system. Overall the proposed community system meets all of the requirements of the Authority and with the amended language, the Executive Director saw no reason for not supporting the submittal. The Executive Director will have a letter drafted for Board approval to that effect.

The fifth item discussed was the Elkdale Green Development. The Executive Director reported that he was still working with the developer on a number of issues and only wanted the Board to be aware of it.

The sixth item discussed was Oxford Commons and the Executive Director reported that an agreement similar to the one contained in Meadowview Estates was being reviewed and as soon as the language can be finalized an amended agreement would be submitted for their review.

The seventh item discussed was for a computer hardware proposal, with the understanding that additional proposals would be forth coming.

### **CORRESPONDENCE:**

A letter was presented from Ms. Blair Fleischmann regarding questions and comments she had regarding the Authority. The Chairman recognized Ms Fleischmann was in

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attendance and asked if she wished to comment. The Board discussed various aspects of the letter and offered some preliminary answers to some of the questions.

## **TREASURER'S REPORT;**

The Executive Director presented and recommended for approval general fund bills in the amount of \$16,331.06. (P. Reynolds, P. Brenner)

## **OLD BUSINESS:**

The Executive Director and Neil Pagano presented to the Board a recommendation for the acquisition of a Dodge Grand Caravan in the amount of \$22,050. The Executive Director reported that the bid package allowed for a lease program and he would obtain information regarding it and present it at the next Board meeting.

Being no other regular business to discuss the Chairman recessed the Board meeting to allow for the Board to have an executive session regarding real estate acquisitions. The Board meeting recessed at 8:22 p.m. The Board meeting reconvened at 8:37 p.m. at which time a motion was made, seconded (F. Lobb, N. Pagano) and unanimously approved authorizing Joel Brown to increase the Authority's offer to \$162,000 for a lot the Authority is interested in acquiring. The meeting was adjourned at 8:38 p.m. (N. Pagano, F. Lobb).

Respectfully Submitted

Edward A Lennex

Executive Director/Assistant Secretary

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