

The September 21, 2016 Special Meeting of the Greater Hazleton Joint Sewer Authority was called to order by Chairman George at 7:00 PM. All in attendance gave a pledge of allegiance.

Roll Call:

Boyarski – Absent	Cuozzo – Present	Fay – Present
Fayock – Present	George – Present	Grink – Present
Milot – Present	Sherrock – Present	

Also in Attendance:

Christopher Carsia – Director of Operations	Gregory Olander – Operations Manager
Andrew Nowak – Field Operations Manager	Attorney Joseph D. Ustynoski – Solicitor
Christopher Gibbons – Concord Public Finance	

PUBLIC COMMENT

There was no public comment.

Gregory Olander introduced Christopher Gibbons of Concord Public Finance. Gregory stated that Attorney Ustynoski, Board Member Sherrock, and he met with Mr. Gibbons during the PMAA Conference in Pittsburgh last month. He stated that Concord Public Finance offers a dual track financing strategy that he felt should be presented to the entire Board.

Christopher Gibbons thanked the Board for allowing him to make his presentation. He stated that he started the company over 15 years ago and over that timeframe has closed over 800 borrowings totaling over \$1 billion with individual offerings ranging from \$250,000 to \$250 million. He said his company is hired to be the fiduciary to look after the financial interests of the client. He stated that his business only focuses on public clients such as municipalities, authorities, school districts, and 501C(3) organizations. Mr. Gibbons stated that a unique dual track approach is used to get the best deal for the client. He said a request for proposal (RFP) is submitted to 20 to 30 banks to get the best interest rate based on a repayment structure usually of 20 to 25 years. He said the RFP would be written in favor of the Authority so the borrowing is on the Authority’s terms. He said proposals usually take 3 to 4 weeks to be received from the banks and then the best rate is compared to the bond market at that time to determine if the bank loan or bond issue is the best deal for the Authority. He said a typical loan structure would have a fixed rate for a number of years, then a variable rate for the remainder of the term with a rate cap in place to protect the Authority in case interest rates rise. He said it is also common to renegotiate with the bank when the fixed term is set to expire. Mr. Gibbons stated that the most attractive bank loan is then compared to the bond market to determine which type of financing is best for the Authority. He said, in the event the bond issue is pursued, his firm would still act a “quarterback” to handle the bond issuance including development of the preliminary official statement and acting as liaison with the rating agencies and bond insurers. He said payment and financing options would also be looked at to determine the best bond issue structure for the Authority.

Board Member Grink asked Mr. Gibbons what his fee would be for his services as explained to the Board. Mr. Gibbons stated that on a \$5 million funding his fee would be a one-time charge of about \$22,000 that is paid at closing from the proceeds of the borrowing. Attorney Ustynoski asked if Concord also handles the legal procedures. Mr. Gibbons stated that the legal issues are handled by the Solicitor and Bond Counsel, not his firm. Attorney Ustynoski noted that of the recent borrowings listed in Concord’s packet, 16 of 20 were bank loans.

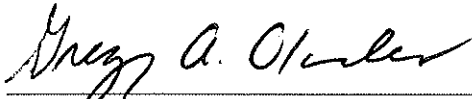
Christopher Gibbons thanked the Board for the opportunity to discuss his services and exited the meeting at this time.

Board Member Fayock asked if we could develop an RFP for bank loans in-house. Gregory Olander stated that he could create a RFP; however, he is not an expert in financing and would not be comfortable structuring loan documents to contain all the necessary components to protect the Authority. Board Member Fayock asked if it was worthwhile at \$22,000 to have our people do the work in-house when they are not financial advisors. He said it would be too much to ask of Chris and Greg to perform this additional work. Board Member Milot then stated that he thought \$22,000 was a fair price and he asked how much money was expected to be borrowed. Gregory Olander stated that the borrowing is expected to be between \$6 million and \$7 million depending on the results of the bid opening for the incinerator installation.

Attorney Ustynoski suggested calls be made to a few of Concord's references to see if they were pleased with Concord's services. He also stated that a call would be placed to the Authority's current Bond Counsel, Eckert Seamans, to see if they have worked with Concord in the past.

Milot & Grink moved to adjourn. Passed: Aye-7, Nay-0, Absent-1
The meeting was adjourned at 8:04 PM.

Respectfully submitted,
Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary