

BOARD OF MAYOR AND ALDERMEN

September 23, 2013

A regular meeting of the Board of Mayor and Aldermen was held on Monday, September 23, 2013 at 6:00 p.m. in the Council Chambers of the Municipal Center.

Mayor Sharon Goldsworthy was present and presiding.

The following Aldermen were present: John Drinnon, Greg Marcom, Mike Palazzolo, Forrest Owens and Rocky Janda. Staff present: Debra Wiles, Andy Pouncey, Tim Gwaltney, Bo Mills, Susan Hopson, Chief John Selberg, Chief Richard Hall, Pam Beasley, Reynold Douglas, Butch Eder, Ralph Gabb, Paul Chandler, Lisa Piefer and Dotty Johnson.

Call to Order

Mayor Goldsworthy called the meeting to order at 6:00 p.m.

Invocation

Economic and Community Development Director Andy Pouncey gave the invocation.

Pledge of Allegiance

Alderman John Drinnon led the Pledge of Allegiance.

Approval of Agenda

During the Executive Session, the Board decided to move the consent item, Recognition of Donations, Parks and Recreation to the regular agenda.

Motion by Mr. Palazzolo, seconded by Mr. Drinnon, to approve the agenda as amended.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Owens –yes, Janda–yes. Motion approved.

Approval of Minutes

There were no corrections or additions to the minutes.

Motion by Mr. Marcom, seconded by Mr. Owens, to approve the minutes of the Board of Mayor and Aldermen Meeting held September 9, 2013.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Owens –yes, Janda–yes. Motion approved.

Beautification Business Award

Alderman Owens asked Charles and Jason Speed to come forward. Charles and Jason Speed were the representatives of the McVay Station Professional Center located at 7475 McVay. The Beautification Commission had selected them to receive the September Beautification Business Award.

Citizens to be Heard

No citizens came forward to speak.

Recognition of Donations – Parks and Recreation – moved from Consent Agenda

Parks and Recreation Director Pam Beasley came forward to recognize four donations totaling \$15,000.00 to support the Parks and Recreation programs and events. Chick-fil-A donated \$1,000.00 for the Outdoor Movie Night event; a \$3,000.00 donation from Campbell's Clinic for the Small Fry Triathlon and a \$1,000.00 support donation from Landers Ford to help with the Farm Park summer market.

Ms. Beasley recognized Mr. William Kenley, with Germantown Methodist Lebonheur Healthcare, one of the premier sponsors, who had donated \$15,000.00 to the Farm Park for educational programs and events for the season. She stated that the new Farm Park demonstrates the value of biointensive agriculture to all who visit the site and without the generosity of Methodist Lebonheur Healthcare system and their

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commitment to the overall mission of the Farm Park project, the continuation of these projects would not be possible.

Ms. Beasley introduced some of her co-workers, Michelle Johns, Kevin Young, and Mary Ann Gibson who were present.

William Kenley came forward and stated it was an honor and a privilege to work on this project. He complimented Ms. Beasley and her co-workers.

Alderman Palazzolo, as alderman liaison to the Parks and Recreation Commission, extended the recognition of the valued relationship between Methodist and the City and their sponsorship of many City programs.

Motion by Mr. Palazzolo, seconded by Mr. Drinnon, to recognize donations to the Farm Park and Parks and Recreation Department totaling \$20,000.00 and to approve Budget Adjustment No. 14-18.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Owens –yes, Janda–yes. Motion approved.

Bond Sale

Finance Director Ralph Gabb explained that Resolution 13R13 is a Series 2013 A & B Bond Awarding Resolution.

The City will issue \$9,070,000 of General Obligation and Refunding Bonds, Series 2013A & B to provide financing of various drainage laterals, construction of a new roadway to the Farm Park, and the extension of the Greenway along Wolf River Blvd. Additionally, future cash saving will be achieved through the refunds of the Series 2005 General Obligation Bonds.

The City engaged a financial advisor, Public Financial Management, Inc. (PFM) to recommend the proposed financing structure and timing of the bond issue under the current market conditions. PFM assisted with the preparation of the required offering and sales documents, arranged the ratings agency reviews, contacted potential bond purchasers and led the competitive bid process. Bond counsel Adams and Reese LLP, of Nashville, TN provided specialized legal expertise required for issuing public debt and maintaining its tax-exempt status under Tennessee statutes.

RESOLUTION 13R13

RESOLUTION AWARDING THE \$3,500,000 GENERAL OBLIGATION BONDS, SERIES 2013A, AND THE \$5,570,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013B OF THE CITY OF GERMANTOWN, TENNESSEE.

WHEREAS, on August 26, 2013, the Board of Mayor and Aldermen (the “Board”), of the City of Germantown, Tennessee (the “Municipality”) adopted that certain “Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$3,500,000 General Obligation Bonds of the City of Germantown, Tennessee, and Providing the Details Thereof” authorizing the issuance and sale of not to exceed \$3,500,000 General Obligation Bonds, Series 2013 (the “Series 2013A Bonds”) and that certain “Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$5,570,000 General Obligation Refunding Bonds of the City of Germantown, Tennessee, and Providing the Details Thereof” authorizing the issuance and sale of not to exceed \$5,570,000 General Obligation Refunding Bonds, Series 2013 (the “Series 2013B Bonds”) (the Series 2013A Bonds and the Series 2013B Bonds herein collectively referred to as the “Bonds”);

WHEREAS, the Official Notice of Sale (the “Notice of Sale”) for the Bonds was posted on the website of i-dealprospectus.com on September 17, 2013;

WHEREAS, the Board of the Municipality, upon the advice of their financial advisor, has determined it to be in the best interests of the Municipality to accept electronic bids only in connection with the sale of the Bonds;

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WHEREAS, pursuant to the Notice of Sale the following electronic bids were received for the Bonds:

<u>Name of Bidder</u>	<u>True Interest Cost</u>
Raymond James & Associates	2.461507 %
FTN Financial Capital Markets	2.475187 %
Stifel, Nicolaus & Co., Inc.	2.518904 %
UBS Financial Services, Inc.	2.541931 %
Piper Jaffray	2.622511 %
Robert W. Baird & Co., Inc.	2.639039 %
Wells Fargo Bank, National Association	2.640507 %
Janney Montgomery Scott LLC	2.703048 %
Stern, Agree & Leach, Inc.	2.721436 %
Duncan-Williams, Inc.	2.744295 %

WHEREAS, pursuant to said Notice of Sale, the Board of the Municipality has reviewed all bids received with respect to the Bonds and hereby awards the sale of the Bonds to the lowest bidder.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF GERMANTOWN, TENNESSEE:

Section 1. The bid of Raymond James & Associates, Inc. (the "Purchaser") is the bid which results in the lowest true interest cost to the Municipality and in all respects complies with the Notice of Sale.

Section 2. It is hereby ordered that the bid of the Purchaser be, and the same is hereby accepted, and the Board hereby awards and sells to the Purchaser, the Series 2013A Bonds in the aggregate principal amount of \$3,500,000 and the Series 2013B Bonds in the aggregate principal amount of \$5,570,000, dated the date of original issuance and delivery, which shall mature serially on the first day of August in the years and in the aggregate principal amounts as follows:

<u>Series 2013A Bonds</u>			<u>Series 2013B Bonds</u>		
<u>Due August 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Due August 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2014	\$105,000	1.000%	2014	\$795,000	1.000%
2015	\$130,000	2.000%	2015	\$860,000	2.000%
2016	\$135,000	2.000%	2016	\$875,000	2.000%
2017	\$135,000	2.000%	2017	\$890,000	2.000%
2018	\$140,000	2.000%	2018	\$240,000	4.000%
2019	\$145,000	2.000%	2019	\$245,000	4.000%
2020	\$150,000	2.000%	2020	\$255,000	4.000%
2021	\$150,000	2.000%	2021	\$260,000	4.000%
2022	\$160,000	2.000%	2022	\$270,000	2.250%
2023	\$165,000	2.250%	2023	\$280,000	2.250%
2025	\$350,000	2.600%	2024	\$295,000	2.450%
2027	\$375,000	3.000%	2025	\$305,000	2.600%
2028	\$200,000	3.125%			
2029	\$210,000	3.250%			
2030	\$220,000	3.500%			
2031	\$230,000	3.500%			
2032	\$245,000	3.625%			
2033	\$255,000	3.625%			

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The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year, commencing February 1, 2014, shall be issued in book-entry form, shall be fully registered, without coupons, and shall be in the denomination of \$5,000 and authorized integral multiples thereof.

Section 3. Ratification and Confirmation. All prior actions and resolutions of the Municipality pertaining to the issuance of the Bonds are hereby in all particulars ratified, approved, and confirmed.

Section 4. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 5. Conflicting Resolutions Repealed. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 6. Effective Date. This Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 23rd day of September, 2013.

Motion by Mr. Drinnon, seconded by Mr. Owens, to approve Resolution 13R13 that awards and sells the General Obligation, Series 2013A and Refunding Bonds, Series 2013B, in the aggregate principle amount of \$9,070,000 to Raymond James & Associates, Inc. at the true interest rate of 2.461507.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Owens –yes, Janda–yes. Motion approved.

Mayor Goldsworthy thanked staff for all the effort that went into putting together the sale of the bond. She stated that because both investment rating agencies had affirmed the City’s very favorable creditworthiness and strong financial management by issuing their highest rating the bond sale had gone so well. Moody’s Investment Service assigned the Aaa rating and Standard & Poor’s Corporation had assigned their AAA rating to this current debt issue and reaffirmed their same rating for all other outstanding debt issues of the City.

ADJOURNMENT

There being no further business to be brought before the Board, the regular meeting was adjourned.

Sharon Goldsworthy, Mayor

Dotty Johnson, City Clerk/Recorder