

Warren County Port Authority

Credit Committee

Meeting Minutes August 24th, 2020

Opening:

The meeting of the Warren County Port Authority Credit Committee was called to order at 2:31pm on February 24th, 2020 via teleconference by Warren County Port Authority Executive Director, Martin Russell.

Present:

Warren County Port Authority Credit Committee Members: Mr. Layer, Mr. Harlow, Ms. Zindel.

Warren County Economic Development Staff: Martin Russell, Matt Schnipke and Brian Beaudry

Other Attendees:

Andrew Brossart – Bradley Payne Advisors

Caleb Bell – Bricker and Eckler

Brooke Mangiarelli – Bricker and Eckler

A. Approval of Agenda

The agenda and additional resources were distributed to the board for review and consideration without disapproval.

B. Approval of Minutes

- The Committee reviewed minutes from the February 24th, 2020 meeting. **Mr. Harlow made a motion, seconded by Mr. Layer to approve the minutes of the April 29th, 2020 meeting as presented.** The motion passed with a unanimous voice vote of present Board members.

C. Old Business

- None

D. New Business

1. Series 2020C - Clearcreek Township Police Facility Construction and Administration Building

- Mr. Russell introduced the Series 2020C Ohio Communities Accelerator Bond Fund Clearcreek Township Construction and Administration Building deal to the

committee for review. He described the scope of the project to the Committee, stating the not to exceed amount set at \$8.6 million. Mr. Brossart stated that the Township is in a strong financial position, is backing the issuance, and has agreed to borrow the full amount because of current low rates. He described the lease-back arrangement and stated the deal has a 20-year amortization. Mr. Bell added that the deal is structured as a real estate deal, and the Township owning the land simplified the deal. Mr. Brossart stated that with the Township using the Bond Fund, he expects the range of placement to be within the 2.5%-3% range. He also stated that the 10% reserve requirement will be included in the issuance. Additionally, he added the Port will have 1st mortgage position on the new facilities.

- **There being no other questions, Ms. Zindel made a motion, seconded by Mr. Harlow to approve the Series 2020C Clearcreek Township Police Facility Construction and Administration Building project as presented. The motion passed 3-0 in a roll call voice vote of present Committee members.**

2. Series 2020B - City of Springboro, Warren County, Ohio Fiber Expansion Project

- Mr. Russell introduced and summarized the background of the Series 2020B City of Springboro, Warren County, Ohio Fiber Expansion Project to the Committee. He stated that the not-to-exceed amount for the deal is set at \$3.5 million. Mr. Schnipke stated that the City wishes to move quickly, so closing is set for the end October. He stated the bonds will be purchased by the Warren County Treasurer at a 2.5% rate with semi-annual debt payments. Mr. Brossart stated the City's credit is a strong AA1 rating, and stated the City is providing a non-tax revenue pledge coupled with proceeds of the fiber network sale.
- Mr. Bell added that this deal is also structured like a real estate deal in a lease-back arrangement. He added that the City deals with each eventual end user through a sublease arrangement. He stated the Port will procure the asset and bring its benefits to the project. He added that the engineering is being coordinated with the City and Port concurrently. Mr. Harlow asked if a contractor is being hired by the Port, and if the Port is liable something was to go bad. Mr. Bell stated that a surety bond will cover that concern, similar to if the City did the project on its own. Mr. Harlow asked who the insurer is, and Mr. Schnipke answered that will be identified once the bid documents are drafted.
- Mr. Brossart added that an early call provision is included on the issuance, and assured Mr. Harlow that there is sufficient coverage from the City's non-tax revenue pledge to back the deal.
- **There being no other questions, Mr. Layer made a motion, seconded by Ms. Zindel to approve the Series 2020B - City of Springboro, Warren County, Ohio Fiber Expansion project as presented. The motion passed 3-0 in a roll call voice vote of present Committee members.**

Adjournment:

There being no other business, at 3:02 pm Mr. Layer made a motion, seconded by Mr. Harlow, to adjourn the meeting of the Warren County Port Authority Credit Committee. The next meeting of the Warren County Port Authority Credit Committee is not yet scheduled.

Minutes submitted by: Brian Beaudry

Approved by: Matt Schnipke