Special Called Public Facilities Authority (PFA) Meeting of the Sandy Springs was Broadcast Live via Webinar, Teleconference and Facebook on Tuesday, September 15, 2020 at 6:00 p.m., Chairman Rusty Paul presiding.

1. **PFA 2020-21 CALL TO ORDER** – Chairperson Rusty Paul

Chairman Rusty Paul called the meeting to order at 6:00 p.m.

2. **PFA 2020-22 ROLL CALL** – Secretary Raquel D. Gonzalez

Secretary Gonzalez called the roll.

Members present: Chairman Rusty Paul, Member John Paulson, Member Steve Soteres, Member Chris Burnett, Member Jody Reichel, and Member Andy Bauman.

Absent: Member Tibby DeJulio.

3. **PFA 2020-23 APPROVAL OF MEETING AGENDA**

Motion and Vote: Member Paulson moved to approve the Meeting Agenda for the September 15, 2020 Special Called Public Facilities Authority meeting. Member Bauman seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously by a vote of 5-0.

4. **PFA 2020-24** Approval of the August 18, 2020 Special Called Public Facilities Authority Meeting Minutes

Motion and Vote: Member Bauman moved to adopt the August 18, 2020 Special Called Public Facilities Authority meeting minutes. Member Reichel seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously by vote of 5-0.

Member DeJulio arrived at 6:02 p.m.

NEW BUSINESS

5. **PFA2020-25** Consideration of a Supplemental Bond Resolution Approving the Final Terms of the City of Sandy Springs Public Facilities Authority Taxable Refunding Revenue Bonds (City of Sandy Springs City Center Project), Series 2020

General Manager Andrea Surratt presented agenda items PFA2020-25, PFA2020-26 and PFA2020-27. The previous week consisted of Bond counsel and Financial Advisor meetings to begin the process of refunding proceeds for the current bonds for the City Springs facility. In addition, staff is considering authorizing additional bonds that would relate to the development of properties, specifically the Public Safety Headquarters. Jim Woodward with Gray, Pannell & Woodward, LLP, Bond counsel, and Courtney Rogers with Davenport & Company, our Financial Advisor will present the Supplement Bond Resolution for the Series 2020.

Member DeJulio stated that he noticed the bonds sold and awarded at 10:30 am. He asked if they sold in advance without authority of the City Council.

Courtney Rogers, Davenport & Company responded that bonds are not awarded officially until the PFA and the City Council take actions. The winning bidder will be notified once approved. Rogers began the Pricing Results Presentation – Series 2020 Bonds and explained some of the comments made by both Moody's and S&P; especially that S&P on April 1, 2020 put the entire Public Finance Section on Negative Outlook due to COVID-19. This presentation will be a part of the official minutes for the Public Facility Authority for the September 15, 2020 Special Called Meeting.

Member DeJulio thanked Davenport & Company for a job well done, to include the savings that will go a long way to the benefit the citizens.

Member Burnett asked if the $16.7M spread evenly over the 26-year term or front-end loaded. The discussion of the Public Safety Headquarters will include Councils ability to pay $600K and forego rent in the Morgan Falls facility. This could be a $1.2M positive swing in cash flow before the issuance of bonds on the Public Safety facility.

Courtney Rogers responded yes, it is spread evenly. The partial fiscal year is $459K, then $620K and $625K for the next 26 years. These are taxable bonds; we cannot advance a refund with tax-exempts. The new projects discusses later are all tax-exempt eligible.

Member Paulson echoed the comments of the previous members as to the great job done on this deal. He stated that our bogey was $15M and we are little above that which is fantastic.

Member Bauman wanted to clarify that we are not adding to principal or extending term. Timing in the market is imperfect. He also staff, Davenport and Company following the discussion. This is a testament to the history of this City and its management and philosophy to get this kind of credit rating and pull off this type transaction during these times. This appears to be a homerun and a credit to the work over the past 15 months. This is also a credit to Eva (Galambos, the first Mayor of the City), and to all who came before us in getting us to this point.

Courtney Rogers indicated extending the term. Keep in mind that we did not refund non-callable bonds, as there is no economic benefit. There will be some 2015 bonds through 2026. There will be principal to pay on these bonds. There will also be 2015 bonds that exist. With no extension of maturities, we did not front-load any savings.

Mayor Rusty Paul stated that while passing through a morning meeting he knew that this exceeded our expectations based on the numbers discussed. It did not exceed our hope, but it did exceed expectations. He stated that Courtney, Doug, and the Davenport team had done a great job. Andrea Surratt, the City Manager and her team have worked diligently to get us this savings. It really does save the City a lot of money and opens other opportunities to cost effectively complete projects. He congratulated the team effort.

Motion and Vote: Member DeJulio moved to approve agenda item PFA2020-25, Consideration of a Supplemental Bond Resolution Approving the Final Terms of the City of Sandy Springs Public Facilities Authority Taxable Refunding Revenue Bonds (City of Sandy Springs City Center Project), Series 2020. Member Burnett seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously.

PFA RESOLUTION NO. 2020-09-04

6. PFA2020-26 Consideration of Approval of Bond Resolution Authorizing (A) the Issuance of the City of Sandy Springs Public Facilities Authority Revenue Bonds (Public Facilities Project), Series 2020B to Provide Funds to Finance the Acquisition of Land and the Renovation of Public Safety Facilities and the Construction of Fire Stations and (B) a Lease Agreement between the Authority and the City in Connection with the Projects.

General Manager Andrea Surratt presented the item going out for bond sale for new monies for the Public Safety Headquarters for purchasing property considered for Fire Station 2 on Roswell Road. The step required now is the Bond Resolution not to exceed an amount of $60M. Jim Woodward and Courtney Rogers can fill in the gaps.

Courtney Rogers, Davenport & Company presented the City of Sandy Springs - New Money Presentation – Potential Series 2020 Bond. Council is asked to provide permission for Mr. Jim Woodward and Attorney Dan Lee to move forward with the validation hearing that take about three weeks. On approximately October 13, a hearing would be held prior to posting a second official statement for a Series 2020B Bond, that would be sold tax-exempt on October 20th. The idea is to lock in interest rates before the presidential election, which could affect rates.

Member Burnett asked Mr. Rogers, based on our most recent ratings, will we need to go back to the agencies, and if so, because of the additional $60M in debit do you see that affecting our AAA rating in a negative way or do you believe we will remain at that level.

Mr. Rogers stated that he does not believe it will impact that rating. We talked about the $48M, $10M is not a big number that will swing anything in terms of rating-wise. We did talk with them about it; actually got the ratings for the 2020B Series, but since it is being done as a separate issue, we will probably go back to see if they will issue another report or not. Maybe they will do a quick press release. We really got the rating based on what was presented to them, except for the additional $10M. We have told them about the $48M transaction. He further reiterated that Mayor Paul did a fantastic job of talking about the City, and telling the story of the City of Sandy Springs.

Mayor Paul stated that there were discussions with Moody's and S&P that this was part of the plan for financing. Council agreed to use savings to pay for these projects. They are aware that this was in the plan all along.

Member Bauman stated that these are educated estimates of the costs of these projects, especially the $30M for the Public Safety building. When we take these bonds down, we take the whole amount, correct? So, if we underestimate the cost, we pay the additional. If we, by chance, have excess funds, is there a cushion allowed to have excess funds or do you return some of it. At these borrowing costs, we do not want to return any of it. How constrained are we? If we have excess, what happens there?

Mr. Rogers responded that is correct. That is one of the reasons that we had the $10M as a cushion number from a cash standpoint. As we talked more about it, not only could you use that money for the actual building, but development other things that are taking place on the property i.e. potential firing range or training center. Mr. Woodward was in today discussions so he could chime in. There is an attachment to the resolution that lists out the four projects and descriptions and provides the ability on these four items. You can purchase the land, the Public Safety building, and anything on that land, then the two fire stations. Beyond that, you are constrained. Once validated, you cannot go back and spend it on a trail or sidewalks. Any excess could be used toward debt service.

Mayor Paul stated that he feels comfortable with the estimates. Keep in mind that if we underestimate, we have cash set aside for these projects if the cost is within reason.

Motion and Vote: Member DeJulio moved to approve agenda item PFA2020-26, Consideration of Approval of Bond Resolution Authorizing (A) the Issuance of the City of Sandy Springs Public Facilities Authority Revenue Bonds (Public Facilities Project), Series 2020B to Provide Funds to Finance the Acquisition of Land and the Renovation of Public Safety Facilities and the Construction of Fire Stations and (B) a Lease Agreement between the Authority and the City in Connection with the Projects. Member Paulson seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously.

PFA RESOLUTION NO. 2020-09-05

7. PFA2020-27 Consideration of a Resolution of the Members of the City of Sandy Springs Public Facilities Authority with Respect to Proposed Financing of the Acquisition, Construction, Installation and Renovation of Public Safety Facilities and a Fire Station through the Issuance of One or More Tax-Exempt Debt Financings; and for Other Purposes

General Manager Andrea Surratt presented this item as part the previous resolutions. This item authorizes the proposed financing of the acquisition, construction, and installation of those facilities and fire stations through the issuance of the tax-exempt debt financings. The previous item focused on the Bond language, this item is fixated on the resolution.

Mayor Paul stated in essence, this resolution effects what we did in the previous agenda item.

Courtney Rogers stated that this step is for IRS records. This reimbursement resolution cites the tax code language wherein if you begin spending money now, any monies going back sixty-days from today's date could be reimbursed from future tax bond proceeds. This is an official intent tax step, which allows you to begin spending funds now and reimbursed later.

Motion and Vote: Member DeJulio moved to approve agenda item PFA2020-27, Consideration of a Resolution of the Members of the City of Sandy Springs Public Facilities Authority with Respect to Proposed Financing of the Acquisition, Construction, Installation and Renovation of Public Safety Facilities and a Fire Station through the Issuance of One or More Tax-Exempt Debt Financings; and for Other Purposes. Member Burnett seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously.

PFA RESOLUTION NO. 2020-09-06

8. ADJOURNMENT

Motion and Vote: Member Bauman moved to approve to adjourn the September 15, 2020 Special Called Public Facilities Authority meeting. Member Paulson seconded the motion. Chairman Paul called for a roll call vote. The motion carried unanimously.

Meeting was adjourned at 6:35 p.m.

Date approved: October 6, 2020.

Russell K. Paul, Chairperson

Lia Jones, Secretary