

A G E N D A

**MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY
Regular Meeting
County Administration Conference Room
Montgomery County Government Center
June 2, 2008
7:00 P.M.**

I. CALL TO ORDER

II. DETERMINATION OF QUORUM

III. DELEGATION

- A. Water to Lancer Truck Stop - Ironto

IV. PUBLIC ADDRESS SESSION

V. CONSENT AGENDA

VI. INTO WORK SESSION

- A. Davenport & Company, LLC – Review of Proposals – Loan Refinancing

VII. OUT OF WORK SESSION

VIII. OLD BUSINESS

- A. Approval of Recommendation by Davenport & Company, LLC – Loan Refinancing

IX. NEW BUSINESS

- A. Approve PSA FY 2008-2009 Budget

- B. Water Request Petition – Route 114 – Congressman Boucher
- C. Approve Resolution Authorizing the Refunding of Existing Bonds of the Authority, the Undertaking of Capital Improvements to Facilities of the Authority, and the Issuance, Sale and Award of a Not to Exceed \$6,400,000 Revenue Bond, and Providing for the Form, Details and Payment Thereof
- D. Approve Financing Agreement Between the Montgomery County Public Service Authority and Carter Bank & Trust

X. FINANCIAL REPORT

XI. DIRECTOR'S REPORT

XII. AUTHORITY MEMBERS' REPORT

XIII. ADJOURNMENT

TO: PSA Board of Directors
FROM: Robert C. (Bob) Fronk, PSA Director
DATE: May 30, 2008
SUBJECT: **AGENDA REPORT - PSA REGULAR MEETING – JUNE 2, 2008**

I. CALL TO ORDER

The Chair will call this meeting to order.

II. DETERMINATION OF QUORUM

The Chair will determine if a quorum is present.

III. DELEGATION

1. Water to Lancer Truck Stop – Ironto
Mr. Henry Brabham will speak concerning water service to the Lancer Truck Stop in Ironto, Virginia.

IV. PUBLIC ADDRESS SESSION

The Chair will ask if there are any comments from the public. Each person will be allowed five minutes to address the Board.

V. CONSENT AGENDA

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated June 2, 2008.

VI. INTO WORK SESSION

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby enters into Work Session for the purpose of discussing the following:

- A. Davenport & Company, LLC – Review of Proposals -
Loan Refinancing See Item 2.

VII. OUT OF WORK SESSION

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby ends their work session to return to regular session.

VIII. OLD BUSINESS

- A. SUBJECT: AUTHORIZE DAVENPORT &
COMPANY, LLC TO MOVE
FORWARD WITH BID RECEIVED
FROM CARTER BANK & TRUST**

R08-06-2

**AUTHORIZE DAVENPORT & COMPANY, LLC TO MOVE
FORWARD WITH BID RECEIVED FROM CARTER BANK & TRUST**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority Board of Directors, at its May 5, 2008 meeting, authorized Davenport & Company, LLC to proceed with preparing necessary documentation to develop a competitive solicitation to local/regional financial institutions for refinancing of PSA Rural Development Loans; and,

WHEREAS, Davenport & Company, LLC has reviewed all written responses and recommends a 3.80% fixed rate for 15 years from Carter Bank & Trust.

NOW, THEREFORE BE IT RESOLVED, that the Public Service Authority Board of Directors hereby authorizes Davenport & Company, LLC to proceed with the bid received from Carter Bank & Trust at a 3.80% fixed rate for 15 years and to work with the Authority's Bond Counsel to prepare, review, and execute the appropriate documentation to affect the transaction.

ISSUE/PURPOSE: To refinance the existing Rural
Development Loans to obtain lower
interest and shorten the term in order to

reduce the overall cost and term of the Rural Development loans.

JUSTIFICATION: Reducing the interest rate and term is projected to save the PSA \$1,780,122.

IX. NEW BUSINESS

A. SUBJECT: APPROVE PSA FY 2008-2009 BUDGET

**R08-06-3
APPROVAL OF PSA FY 2008-2009 BUDGET**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby approves the annual budget for FY 2008-2009, in the amount of \$3,298,830 – (\$1,827,416 Water & \$1,471,414 Sewer); and, that the Director is hereby authorized to utilize the budget as an official document of the Authority to become effective on July 1, 2008.

ISSUE/PURPOSE: For financial support to operate the water and the sewer departments of the Public Service Authority on a day-to-day basis.

JUSTIFICATION: Several work sessions have been held concerning the proposed budget for FY 2008-2009. The Director feels that this budget meets the needs of the PSA for FY 2008-2009. See Item 3.

B. SUBJECT: WATER REQUEST PETITION - ROUTE 114 – CONGRESSMAN BOUCHER

ISSUE/PURPOSE: The PSA received a letter from Congressman Boucher's office, dated May 22, 2008, in reference to a petition his office received from Montgomery County Residents near the Radford Arsenal, along Route 114, concerning water quality in the area. This item is

being presented for review and discussion. See Item 4.

C. SUBJECT: APPROVE RESOLUTION AUTHORIZING THE REFUNDING OF EXISTING BONDS OF THE AUTHORITY, THE UNDERTAKING OF CAPITAL IMPROVEMENTS TO FACILITIES OF THE AUTHORITY, AND THE ISSUANCE, SALE AND AWARD OF A NOT TO EXCEED \$6,600,000 REVENUE BOND, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

R08-06-4

APPROVE RESOLUTION AUTHORIZING THE REFUNDING OF EXISTING BONDS OF THE AUTHORITY, THE UNDERTAKING OF CAPITAL IMPROVEMENTS TO FACILITIES OF THE AUTHORITY, AND THE ISSUANCE, SALE AND AWARD OF A NOT TO EXCEED \$6,600,000 REVENUE BOND, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

**RESOLUTION OF THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY
AUTHORIZING THE REFUNDING OF EXISTING BONDS OF THE AUTHORITY,
THE UNDERTAKING OF CAPITAL IMPROVEMENTS TO FACILITIES OF THE
AUTHORITY, AND THE ISSUANCE, SALE AND AWARD OF A NOT TO EXCEED
\$6,600,000 REVENUE BOND, AND PROVIDING FOR THE FORM, DETAILS AND
PAYMENT THEREOF**

WHEREAS, the Montgomery County Public Service Authority (the “Authority”) is a public body politic and corporate of the Commonwealth of Virginia duly created pursuant to the Virginia Water and Waste Authorities Act by the Board of Supervisors of Montgomery County; and

WHEREAS, the Authority has been authorized to acquire, construct, operate and maintain water, sewer and sewage disposal systems in Montgomery County, Virginia (the “County”), and to borrow money and to issue its revenue bonds to pay all or part of the cost of such systems and to refund any such bonds previously issued by the Authority; and

WHEREAS, the Authority has determined to refund certain prior bonds of the Authority and to undertake capital improvements to its facilities through the issuance of its revenue bond; and

WHEREAS, Carter Bank & Trust (the “Bank”) has offered to purchase such revenue bond upon certain terms and conditions, and the Authority, after mature consideration of the condition of the municipal bond market and other methods of selling its bonds, has determined to satisfy such terms and conditions and award the bond to the Bank, all in accordance with the terms and provisions of:

- (i) a Financing Agreement (the “Financing Agreement”), between the Authority and the Bank;
- (ii) a Nonarbitrage Certificate and Tax Compliance Agreement (the “Tax Compliance Agreement”) between the Authority and the Bank

the forms of which documents have been presented to the Authority at this meeting and filed with the Authority’s records.

THEREFORE, BE IT RESOLVED BY THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY:

ARTICLE I

Recitals; Definitions

Section 1.1. Incorporation of Recitals. The recitals in the “whereas” clauses above are hereby found and determined to be a part of this resolution.

Section 1.2. Definitions. Whenever used in this resolution, unless a different meaning clearly appears from the context:

“Act” shall mean the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950, as amended).

“Authority” shall mean the Montgomery County Public Service Authority, a public body politic and corporate of the Commonwealth of Virginia duly created pursuant to the Act by the Board of Supervisors of Montgomery County, and by a certificate of incorporation issued by the State Corporation Commission of Virginia on January 24, 1969.

“Bond” shall mean the Authority’s revenue bond, issued pursuant to this resolution.

“County” shall mean Montgomery County, Virginia.

“Existing Bonds” shall mean the following bonds of the Authority:

\$295,000 Water System Revenue Bond, Series 1991 A;
\$1,271,700 Water and Sewer Systems Revenue Bond, Series 1994;
\$283,800 Water and Sewer Systems Revenue Bond, Series 1996 A;
\$80,200 Water and Sewer Systems Revenue Bond, Series 1996 B;
\$668,800 Water and Sewer Systems Revenue Bond, Series 1997 A;
\$402,500 Water and Sewer Systems Revenue Bond, Series 1997 B;
\$1,000,000 Water and Sewer System Revenue Bond, Series 1999; and
\$1,763,700 Water System Revenue Bond, Series 2003,

“Maximum Amount” shall mean \$6,600,000.

“System” means the Authority’s water and sewer system.

“Bank” shall mean Carter Bank & Trust, its successors and assigns.

ARTICLE II

Refunding of Existing Bonds and Authorization of Capital Improvements

Section 2.1. Refunding of Existing Bonds. Subject to Section 2.2 below, it is hereby found to be in the best interests of the Authority to refund some or all of the Existing Bonds, and the Chairman or Vice Chairman of the Authority is authorized to determine which, if any, Existing Bonds will be refunded and to take all actions necessary or desirable to arrange for such refunding.

Section 2.2. Condition Precedent to Refunding. Before the Bond is issued and the Existing Bonds are refunded, the Executive Director, Chairman or Vice Chairman shall have determined that the refunding will result in a net present value savings ratio of at least 3.00% of the principal amount of the Existing Bonds to be refunded (the “**Minimum Savings**”), computed by using the true interest cost of the Bond as the discount rate.

Section 2.3 Capital Improvements. The undertaking of capital improvements to facilities of the Authority (the “Project”), including the replacement of a pump facility, is hereby approved and authorized. Such improvements are deemed to be a part of the System.

ARTICLE III

Authorization, Award, Details, Execution, Form, Registration and Delivery of Bond

Section 3.1. Authorization of Bond. Pursuant to the Act, there is hereby authorized to be issued and sold a revenue bond of the Authority in the aggregate principal amount not to exceed the Maximum Amount (the “Bond”), to provide funds, together with other available funds, to refund the Existing Bonds, to pay the costs of the Project and the cost of issuing the Bond.

Section 3.2. Award of Bond. After mature consideration of the methods of sale of such bond and current conditions of the municipal bond market, it is hereby determined that it is in the best interest of the Authority for the Authority to accept the offer of the Bank to purchase the Bond upon certain terms and conditions set forth in the Financing Agreement.

Section 3.3. Details of Bond.

(a) The Bond shall be designated “Water and Sewer Revenue Bond, Series 2008,” provided, however, that each of the Chairman or Vice-Chairman of the Authority is authorized to provide some other designation for the Bond in order to more appropriately identify the Bond. The Bond shall be issued as a fully registered bond without coupons, shall be dated the date of its issuance and delivery, and shall be in a principal amount not to exceed the Maximum Amount.

(b) Any one of the Chairman or Vice Chairman of the Authority is hereby authorized to determine and approve all of the final details of the Bond, including, but not limited to, its dated date, original principal amount, interest rates and payment dates of interest, the payment dates of principal, and the amount of each principal payment, provided that (i) the original principal amount of the Bond does not exceed the Maximum Amount, (ii) the true interest cost of the Bond does not exceed 6.00%, and (iii) the due date of the last installment of principal is not later than 40 years after the date of the Bond. Such officer’s determination and approval of the final details of the Bond shall be evidenced conclusively by such officer’s execution and delivery of the Bond in accordance with Section 3.4 of this resolution.

(d) The Bond shall be subject to redemption or prepayment only to the extent provided in, and in accordance with the provisions of, the Financing Agreement. Interest on the Bond shall be computed on the basis of a year of 360 days and twelve 30-day months.

Section 3.4. Execution of Bond. The Bond shall be signed by the Chairman or Vice Chairman of the Authority and the Authority's seal shall be affixed thereto and attested by the Authority's Secretary.

Section 3.5. Form of Bond. The Bond shall be in substantially the following form, with such variations, insertions and omissions as shall be consistent herewith, the execution and delivery of the Bond constituting conclusive evidence that any variations, insertions and omissions are consistent herewith:

No. R-__ \$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY

WATER AND SEWER REVENUE BOND, SERIES 2008

Montgomery County Public Service Authority (the "Authority"), for value received, hereby promises to pay, solely from the revenues described and pledged in the Financing Agreement, as hereafter defined, to the payment hereof, to the order of Carter Bank & Trust (the "Bank"), or registered assigns, the principal sum stated above in [annual] installments in the amounts set forth on Schedule I attached hereto payable on _____, _____ and annually on _____ thereafter to and including _____, together with interest from the date of this Bond on the unpaid installments, payable [semi-annually] on _____ and _____ of each year, commencing on _____, at the rates per annum set forth on Schedule I attached hereto. Principal, premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

Interest on this Bond accrues from the Dated Date stated above and is computed on the basis of a year of 360 days and twelve 30-day months.

The principal of and interest on this Bond, without the presentation or surrender hereof, is payable by check or draft mailed to the registered owner of this Bond at the address that appears on the 15th day of the month preceding each interest payment date on the registration books kept by the Secretary of the Authority, as registrar (the "Registrar"). Upon final payment, this Bond shall be surrendered to the Registrar for cancellation.

If any date fixed for the payment of principal of or interest on this Bond shall not be a Business Day, as defined below, then payment of principal, premium, if any, and interest need not be made on such date but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest shall accrue for the period after such date fixed for the payment of principal or interest. "Business Day" means any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banking institutions generally are open for business in New York and Virginia.

Neither the faith and credit of the Commonwealth of Virginia nor the faith and credit of any county, city, town or other political subdivision of the Commonwealth of Virginia, including Montgomery County (the "County") are pledged to the payment of the principal of or interest on this Bond.

This Bond has been authorized by a resolution duly adopted by the Authority on _____, 2008 (the "Bond Resolution") and is issued pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950, as amended) (the "Act"), and pursuant to the terms of the Financing Agreement, to provide funds, together with other available funds, to refund certain prior indebtedness of the Authority, to pay the cost of capital improvements to facilities of the Authority and to pay the cost of issuing this Bond. Reference is hereby made to the Bond Resolution and the Financing Agreement and any amendments thereto for the provisions, among others, describing the pledge and covenants securing this Bond, the nature and extent of the security, the terms and conditions upon which this Bond is issued, the rights and obligations of the Authority and the rights of the bondholder.

Principal of and interest on this Bond are payable solely from the revenues of the System pledged thereto in the Financing Agreement.

The pledge of revenues securing the payment of this Bond is on parity with the pledge of revenues securing the following bonds of the Authority: [LIST PARITY BONDS].

No notation is required to be made on this Bond of the payment of any principal on normal installment payment dates or of any prepayments of principal. HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.

Transfer of this Bond may be registered upon the registration books of the Bond Registrar. Prior to due presentment for registration of transfer the Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and the exercise of all other rights and powers of the owner.

This Bond is subject to optional prepayment to the extent and on the terms set forth in the Financing Agreement.

If an Event of Default (as defined in the Financing Agreement) occurs, the principal of and interest on this Bond may be declared immediately due and payable by the holder by written notice to the Authority.

Notwithstanding anything in this Bond to the contrary, in addition to the payments of the principal provided for by this Bond, the Authority shall also pay such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Financing Agreement.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

IN WITNESS WHEREOF, the Authority has caused this Bond to be signed by the Chairman of the Authority, its seal to be affixed hereto and attested by the Secretary of the Authority, and this Bond to be dated _____, 2008.

ATTEST:

[NOT FOR SIGNATURE]

_____(Seal)
Secretary, Montgomery County Public
Service Authority

[NOT FOR SIGNATURE]

Chairman, Montgomery County Public
Service Authority

SCHEDULE I

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Payment</u>	<u>Total Payment</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Section 3.6. Registration and Exchange of Bond. The Secretary of the Authority is appointed to serve as Registrar for the Bond. Transfer of the Bond may be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and the exercise of all other rights and powers of the owner.

Section 3.7. Award and Preparation of Bond. After consideration of the methods of sale of the Bond and the current state of the municipal bond market, the Authority hereby determines that it will be in the best interests of the Authority to sell the Bond to the Bank in accordance with the Financing Agreement, at a purchase price of par. The Chairman and Vice Chairman are hereby authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms.

Section 3.8. Disposition of Proceeds. All proceeds received by the Authority from the sale of the Bond shall be paid to, or at the direction of, the Chairman or Vice Chairman of the Authority who shall promptly apply, or caused to be applied, such proceeds to refund the Existing Bonds to be refunded, to fund an account held by the Authority (the “Project Fund”) in order to pay costs of the Project and to pay the costs of issuing the Bond.

Section 3.9. SNAP Investment Authorization. The Authority or its Executive Director has reviewed the Information Statement (the “Information Statement”) describing the State Non-Arbitrage Program of the Commonwealth of Virginia (“SNAP”) and the Contract Creating the State Non-Arbitrage Program (the “Contract”), and the SNAP Fund Prospectus (found at) and the Authority has determined to authorize the Chairman or Vice Chairman to utilize SNAP in connection with the investment of the proceeds of the Bond, if the Chairman or Vice Chairman determines that the utilization of SNAP is in the best interest of the Authority.

ARTICLE IV

Financing Documents and Revenues

Section 4.1. Authorization of Financing Documents and Other Matters. The forms of the following documents (the “Financing Documents”):

- (i) the Financing Agreement; and
- (ii) the Tax Compliance Agreement,

have been presented to the Authority at this meeting and are approved. Each of the Chairman, Vice-Chairman, Secretary, Executive Director and any other officer of the Authority is authorized to execute and deliver on behalf of the Authority the Financing Documents in substantially the forms submitted to the Authority, with such changes, insertions or omissions as may be approved by the officer executing them, whose approval shall be evidenced conclusively by the execution and delivery of the Financing Documents. The Chairman, the Vice-Chairman, the Secretary, Executive Director and any other officer of the Authority are authorized to execute and deliver on behalf of the Authority such other instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this resolution or contemplated by the Bond or the Financing Documents, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved, ratified and confirmed.

Section 4.2. Pledge of Revenues. To the extent provided in the Financing Agreement, revenues derived from the System shall be pledged to the payment of the Bond.

ARTICLE V

Miscellaneous

Section 5.1. Contract with Bondholder. The provisions of this resolution shall constitute a contract between the Authority and the holder of the Bond for so long as the Bond is outstanding.

Section 5.2. Authority of Officers and Agents. The officers and agents of the Authority shall do all acts and things required of them by this resolution, the Bond, the Financing Documents, and the Act for the complete and punctual performance of all the terms, covenants and agreements contained therein.

Section 5.3. Limitation of Rights. Nothing expressed or mentioned in or to be implied from this resolution or the Bond is intended or shall be construed to give to any person or company other than the parties hereto and the holder of the Bond any legal or equitable right, remedy or claim under or in respect to this resolution or any covenants, conditions and agreements herein contained; this resolution and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the holder of the Bond as herein provided.

Section 5.4. Limitation of Liability of Officials of Authority. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of a present or future member, officer, employee or agent of the Authority in his individual capacity, and neither the members of the Authority nor any officer thereof executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, employee or agent of the authority shall incur any personal liability with respect to any other action taken by him pursuant to this resolution or the Act, provided he acts in good faith.

Section 5.5. Trust Funds. In accordance with Section 15.2-5140 of the Act, any officer to whom, or any bank, trust company or other fiscal agent to which, moneys received pursuant to the Act are paid shall act as trustee of such moneys and shall hold and apply the same for the purposes provided in the Act, subject to such regulations as this resolution or the Financing Agreement may provide.

Section 5.6. Conditions Precedent. Upon the issuance of the Bond, all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia or this

resolution to happen, exist and to be performed precedent to or in the issuance of such Bond shall have happened, exist and have been performed.

Section 5.7. Severability. If any court of competent jurisdiction shall hold any provision of this resolution to be invalid or unenforceable, such holding shall not invalidate any other provision of this resolution.

Section 5.8. Successors and Assigns. All the covenants, stipulations, promises and agreements of the Authority contained in this resolution shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 5.9. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

Section 5.10. Filing of Resolution. The Secretary of the Authority is directed to file a certified copy of this resolution with the Circuit Court of Montgomery County, Virginia, pursuant to Section 15.2-5126 of the Act.

Section 5.11. Effective Date. This resolution shall take effect immediately.

* * *

The undersigned Secretary of the Montgomery County Public Service Authority (the "Authority), hereby certifies that the foregoing constitutes a true and correct copy of a resolution adopted at a meeting of the Authority held on June 2, 2008. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing resolution, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing resolution as follows:

<u>Members</u>	<u>Attendance</u>	<u>Vote</u>

WITNESS MY HAND and the seal of the Montgomery County Public Service Authority, this ___ day of _____, 2008.

(SEAL)

Secretary, Montgomery County Public Service
Authority

A roll call vote on the above resolution is required.

ISSUE/PURPOSE: To refinance the existing Rural Development loans to obtain lower interest and shorten the term in order to reduce the overall cost and term of the Rural Development loans.

JUSTIFICATION: Reducing the interest rate and term is projected to save the PSA \$1,780,122.

D. SUBJECT: APPROVE FINANCING AGREEMENT BETWEEN THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY & CARTER BANK & TRUST

**R08-06-5
RESOLUTION APPROVING FINANCING AGREEMENT
BETWEEN THE MONTGOMERY COUNTY PUBLIC
SERVICE AUTHORITY AND CARTER BANK & TRUST**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Montgomery County Public Service Authority hereby approves the Financing Agreement between the Montgomery County Public Service Authority and Carter Bank & Trust; and, the Chair is authorized to execute said agreement on behalf of the Authority.

ISSUE/PURPOSE: To refinance the existing Rural Development Loans to obtain lower interest and shorten the term in order to reduce the overall cost and reduce the term of the Rural Development loans.

JUSTIFICATION: Reducing the interest rate and term is projected to save the PSA \$1,780,122. See Item 5.

X. FINANCIAL REPORT

The financial report for period ending May 31, 2008 will be presented for review and discussion.

XI. DIRECTOR'S REPORT

The Director's report will be presented at this time. See Item 6.

XII. AUTHORITY MEMBERS' REPORT

1. Member Muffo
2. Member Creed
3. Member Perkins
4. Member Brown
5. Member Marrs
6. Member Biggs
7. Member Politis

XIII. ADJOURNMENT

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority does hereby adjourn to the next meeting scheduled for July 7, 2008.

CONSENT AGENDA
June 2, 2008

A. APPROVAL OF MINUTES

1. **SUBJECT: APPROVAL OF MINUTES DATED
MAY 5, 2008**

ISSUE/PURPOSE: The above listed minutes are before the Board for approval. See Item 1.

B. APPRECIATION

1. **SUBJECT: RESOLUTION OF APPRECIATION -
HEATHER F. DUNCAN**

R08-06-1
RESOLUTION OF APPRECIATION
HEATHER F. DUNCAN

WHEREAS, *Heather F. Duncan* serves as Finance Manager for Montgomery County; and

WHEREAS, *Heather Duncan* has been a great friend and ally to the Montgomery County Public Service Authority by sharing her knowledge, expertise, and time relating to Public Service Authority billing and financial matters by going the extra distance in resolving issues; and

WHEREAS, *Heather Duncan* resigned as Finance Manager effective June 6, 2008.

NOW, THEREFORE BE IT RESOLVED, that the Montgomery County Public Service Authority extends our appreciation and gratitude to ***Heather Duncan*** and wishes her great luck and success in her future endeavors.

FURTHER, BE IT RESOLVED, that the original of this resolution be presented to ***Heather Duncan***, and that a copy be made part of the official minutes of the Montgomery County Public Service Authority meeting of June 2, 2008.

ISSUE/PURPOSE: To show our appreciation to Heather for all of her support and hard work contributed to the PSA over the past several years.