

**LOWER PAXTON TOWNSHIP
AUTHORITY MEETING**

Minutes of Township Authority Meeting held March 2, 2010

An administrative meeting of the Lower Paxton Township Authority was called to order at 7:36 p.m. by Chairman William B. Hawk on the above date in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Authority members present in addition to Mr. Hawk were: William C. Seeds, Sr., William L. Hornung, Gary Crissman, and David B. Blain. Also in attendance were: George Wolfe, Township Manager, Steven Stine, Authority Solicitor, Tom Smida, Bond Counsel, Mette, Evans and Woodside; and Ted Robertson and Watson Fisher, SWAN.

Pledge of Allegiance

Mr. Seeds led in the recitation of the Pledge of Allegiance.

Approval of Minutes

Mr. Crissman made a motion to approve the February 23, 2010 Authority meeting minutes. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Public Comment

No comments were presented by the public.

Board Members' Comments

No comments were presented by the Board members.

New Business

Resolution 10-08 authorizing the Subsidy Agreement with
Lower Paxton Township for the PENNVEST financing

Resolution 10-09 authorizing the Guaranty Agreement with
Lower Paxton Township for the PENNVEST financing

Mr. Tom Smida, Bond Counsel, Mette Evans and Woodside, explained that the Board, in the meeting immediately following this meeting, will consider an ordinance to incur debt, with the maximum principal amount being \$16,630,000 pursuant to the offer received by the

Township from the Pennsylvania Infrastructure Investment Authority (PENNVEST). He explained, as a component of the financing, the Township Authority Board must adopt two resolutions. He explained that Resolution 2010 – 08, would be to enter into a Subsidy Agreement pursuant to which the Authority is pledging its receipts and revenues to the Township to repay the indebtedness so the Township can exclude the debt that would be incurred as self-liquidating.

Mr. Smida noted that Resolution 2010 – 09 is a condition of the PENNVEST financing. He noted that the Authority must provide to PENNVEST and the Commonwealth, a guarantee of the Township’s obligation. He explained by adopting both Resolutions, the Commonwealth and PENNVEST would have the Township’s General Obligation Pledge, and the Authority pledged as collateral for the repayment of the obligation. He noted that this condition can not be waived.

Mr. Hornung questioned what would happen if the Authority, and or Township did not pay the debt. Mr. Smida answered that the Commonwealth and PENNVEST would put a lien on the Authority’s receipts and revenues.

Mr. Smida explained that Resolution 2010-08 authorizes the execution of a Subsidy Agreement, and Resolution 2010-09 authorizes the execution of the Guarantee Agreement. Mr. Seeds questioned why the agreements were dated April 6, 2010. Mr. Smida explained that April 6, 2010 is the closing date for the PENNVEST loan.

Mr. Crissman made a motion to approve Resolution 10-08, authorizing the Subsidy Agreement with Lower Paxton Township for the PENNVEST financing, and Resolution 10-09, authorizing the Guaranty Agreement with Lower Paxton Township for the PENNVEST financing. Mr. Blain seconded the motion. Mr. Hawk called for a roll call vote: Mr. Blain, aye; Mr. Crissman, aye; Mr. Hornung, aye; Mr. Seeds, aye; and Mr. Hawk, aye.

Adjournment

There being no further business, Mr. Crissman made a motion to adjourn the meeting, and the meeting adjourned at 7:40 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by

Authority Secretary
Gary A. Crissman