

**SAVANNAH CITY COUNCIL
SPECIAL MEETING
JUNE 18, 2013
CLASBEY – COUNCIL CHAMBERS
7 P.M.**

Mayor Connie George presiding.

Council Members Present: Don Dillman, Greg Wilson, John Parker and Joy Thompson. Mayor Connie George, City Attorney Emily Bauman, Interim City Administrator Bruce Lundy and City Clerk Beth Kar were also present. The meeting was audio recorded. The meeting notice was posted at City Hall June 14, 2013.

Purpose of Special Meeting: finalize 2013 water bonds. David Martin, Gilmore & Bell, and Jack Dillingham, Piper Jaffray were present.

Council discussed public versus private placement of the bonds. Don Dillman asked, if the City still has to have a rating for the debt issue since it is proceeding with private placement. No. If the City had proceeded with a rating request, it would have had to pay at least 2/3 of the cost even if did not decide to have the ratings published. There are separate ratings for general obligations, and different types of bonds. Last year the City was rated for the Stormwater refinancing. The City has not been rated before on a water/sewer debt issue. The 2013 refinancing plan privately placed refunding revenue bonds in the amount of \$5,670,000. The City's current interest rate is 4.74%. The 2013 interest rate will be: 2.65%. It provides a net savings: \$548,695 to the City and makes the average annual payment closer to \$970,000 instead of the \$1.1 million paid this budget year. The refinancing also eliminates the requirement for a reserve fund. Closing is set for July 15.

David Martin provided the documents including the ordinance, purchase agreement and escrow documents. He provided a revised copy with changes to the table of contents. He also provided a comparison copy. Nothing was changed in the ordinance itself.

BILLS FOR CONSIDERATION:

Bill 2013-19 Authorizing 2013 Bonds Waterworks and Sewerage System Refunding Revenue Bonds (Refinancing 2003B & 2004A Issues) was read for first and second readings.

ORDINANCE NO. 2606

This ordinance pertains to authorizing the issuance of \$5,670,000 principal amount of combined Waterworks and Sewerage System Refunding Revenue Bonds Series 2013. Joy Thompson motioned to adopt ordinance no. 2606. Don Dillman seconded. Vote: Dillman: aye; Wilson: aye; Parker: aye; Thompson: aye. Motion carried.

Adjournment

No further business to discuss. Meeting adjourned at 7:20 p.m. on a motion by Greg Wilson and seconded by Don Dillman. Motion carried on 4 yes votes.

Connie George, Mayor

ATTEST: _____
Beth Kar, City Clerk