



**UPPER PROVIDENCE BOARD OF SUPERVISORS
MINUTES FOR SEPTEMBER 27, 2016 SPECIAL DAYTIME MEETING**

ATTENDANCE

Board of Supervisors: Philip Barker, Chairman; Lisa Mossie, Vice Chairman; Albert Vagnozzi, Supervisor;

Staff Present: Timothy J. Tieperman, Township Manager; Richard Livergood, Finance Director; Tom Broadbelt, Public Works Director; Susan Barker, Park and Recreation Director;

Consultants Present: Joseph Bresnan, Township Solicitor; William Dingman and Mike Coyne, Township Engineers; and Ken O'Brien Township Traffic Engineer.

CALL TO ORDER

Chairman Barker opened the meeting at 1:35 p.m.

NEW BUSINESS (ACTION/DISCUSSION ITEMS):

2. Interview with bond counsel candidate Elizabeth Preate Havey of Dilworth Paxson LLP

Mr. Tieperman introduced bond counsel candidate Elizabeth Preate Havey to serve as the Township's bond counsel as the Township prepares for its first debt issuance. He explained the importance of having a strong finance team in place before issuing debt, of which bond counsel is critically important.

Ms. Havey summarized her bond counsel credentials and explained the expertise of the professional staff that works closely with her when preparing opinions on all types of debt instruments and ensuring their conformity with the Local Government Debt Act as well as IRS regulations. She explained the criteria for issuing taxable and tax-exempt debt as well as the process for enacting reimbursement resolutions.

Ms. Havey entertained several questions from the Board members. She also provided a proposed engagement letter for the Board's consideration at its October 3, 2016 regular meeting.

3. Capital budget and debt service financing discussion with Township financial advisor Jamie Schlesinger, Director of Public Financial management (PFM) financial Advisors LLC.

Mr. Schlesinger reviewed the process for issuing debt. He stated that since the Township has never issued debt, it has no bond rating from the major rating houses of Moody's, Standard and Poor's or Fitch. He explained the importance of having fund balance and debt management policies in place before scheduling a formal ratings review. He believes Upper Providence has strong economic fundamentals and adequate cash reserves to secure a AAA bond rating. He indicated that rating agencies like to see fund balance ranges in the 25% range before considering a AAA rating.

Mr. Tieperman distributed the draft 2017-2021 capital improvement plan, along with updated architectural projections for the Black Rock campus improvements. There were some discussions over how best to pay back the interfund sewer loan for the police department in addition to the planned debt for the new meeting hall. Mr. Schlesinger explained there are a variety of short and long term debt instruments that could be employed to address these capital needs.

The Board concurred that the next logical steps are to adopt a fund balance and debt management policy, modeled after the sample ones prepared by PFM, and to retain a bond counsel firm. These will be on the October 3, 2016 regular meeting agenda for official action.

4. SEI Expansion Plans

Chairman Barker summarized a meeting that he had with Assistant Manager Bortnichak regarding SEI's planned expansion, which involves a three-phased expansion plan over the next few years. Most critical was SEI's immediate need to expand the parking areas at its corporate campus. He said that Bryan had given his tentative approval to allow limited site clearing activity at the site, which does not require a grading permit.

However, he shared with the Board his past experiences with SEI and prior expansion plans, which did not advance. He believed it was critical that the Staff, Solicitor and Township Engineer meet collectively with SEI's development team soon to get a good grasp on their future plans and that they understand fully the Township's regulations, including that of the Montgomery County Soil and Conservation District. Mr. Tieperman agreed to coordinate this meeting post haste.

5. Other Business

Because of time constraints, the Board did not have the ability to discuss the Township's website update. This discussion will be discussed at future meeting.

The Board did provide their branding preferences for the Township's new letterhead, business cards and envelopes.

ADJOURNMENT

There being no further business Mrs. Mossie motioned, seconded by Mr. Vagnozzi, to adjourn the meeting at 4:35pm. The motion passed unanimously 3-0.

Respectfully Submitted By:



Timothy J. Tieperman, Township Manager/Secretary