

Athens-Clarke County Public Facilities Authority
Tuesday, July 6, 2010
6:35 p.m.
City Hall Room 103

The Athens-Clarke County Public Facilities Authority met this date. Present: Members Harry Sims, George Maxwell, Alice Kinman, Kathy Hoard, and Mike Hamby. No one was absent. Mr. Maxwell came in at 6:40 p.m.

Staff present: Chief Assistant Attorney Holly Hilton, Manager Alan Reddish, Deputy Manager Bob Snipes, Finance Director John Culpepper, and Clerk of Commission Jean Spratlin.

The purpose of the meeting was to consider financing for the jail advance housing project, and any other item in proper order.

All members signed their oath of office. Terms are as follows:

George Maxwell	- term expiring 12-31-2010
Harry Sims	- term expiring 12-31-2011
Kathy Hoard	- term expiring 12-31-2011
Alice Kinman	- term expiring 12-31-2012
Mike Hamby	- term expiring 12-31-2012

A motion was made by Mrs. Kinman, seconded by Mrs. Hoard, to elect Mr. Sims as chairman for the year 2010. The motion passed by unanimous vote.

A motion was made by Mrs. Kinman, seconded by Mrs. Hoard, to elect Mr. Hamby as vice chairman. The motion passed by unanimous vote.

A motion was made by Mrs. Kinman, seconded by Mr. Hamby, to elect Mrs. Hoard as secretary. The motion passed by unanimous vote.

A motion was made by Mrs. Kinman, seconded by Mr. Hamby, to approve minutes of meeting of July 9, 2007. The motion passed by unanimous vote.

There was no public comment.

Manager Reddish gave an overview of the legislation establishing the authority.

A motion was made by Mrs. Kinman, seconded by Mr. Hamby, to award financing for the construction of the Jail Advance Housing Project in the amount of \$4.5 million to RBC Bank; adopt the following resolution; approve an intergovernmental contract between the Athens-Clarke County Public Facilities Authority and the Unified Government of Athens-Clarke County, Georgia; and authorize the chairman, secretary, and appropriate staff to execute all related documents. The motion passed by unanimous vote.

RESOLUTION OF ATHENS-CLARKE COUNTY PUBLIC FACILITIES AUTHORITY

WHEREAS, the Athens-Clarke County Public Facilities Authority (the "Authority") has been created pursuant to and under the Constitution of the State of Georgia and the Athens-Clarke Public Facilities Authority Act, 1960 Ga. Laws p. 2531 *et seq.*, as amended by 1996 Ga. Laws p. 3746 *et seq.* (the "Act"), and is now existing and operating as a public body corporate and politic; and

WHEREAS, under the Act, the Authority is empowered to borrow money to accomplish its purposes and execute evidences of indebtedness therefor and secure such indebtedness to be incurred; and

WHEREAS, under the Act, the Authority is empowered to enter into agreements with the State of Georgia, any subdivision thereof, or any county or municipality or the federal government or any agency thereof to use in the performance of its functions the facilities or the services of the State of Georgia or such subdivision or such county or municipality or the federal government or any agency thereof in order to accomplish the purposes of the Act; and

WHEREAS, under the Act, the Authority is empowered to acquire, install and construct two permanent structured housing components and certain property providing 128 beds for use as or in connection with a jail in Athens-Clarke County, Georgia, to be located on the site of the current jail and incorporated into a later expansion of such jail (the "Project"), and is authorized pursuant to the Act to acquire and undertake the Project; and

WHEREAS, the Authority proposes to finance the Project through the issuance of its Promissory Note in the principal amount not to exceed \$4,500,000 (the "Note"), and the Note will be secured by an assignment by the Authority of the Intergovernmental Contract referred to below; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Georgia Constitution authorizes, among other things, any county, municipality or other municipal corporation of the State of Georgia to enter into an agreement, for a period not exceeding 50 years, with another county, municipality or municipal corporation or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such agreement deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, after careful study and investigation, at a meeting open to the public, the Authority has determined that the financing proposal received from RBC Bank (USA) (the "Lender") for the Project is the most favorable conforming bid, and the Authority proposes to enter into a Loan Agreement (the "Loan Agreement") with the Lender, pursuant to which the Authority would issue the Note; and

WHEREAS, after careful investigation by the Authority, it appears to be in the public interest that said Note be issued, and the Authority has found and does hereby declare that said undertaking has a lawful and valid public purpose; and

WHEREAS, under the terms of an Intergovernmental Contract (the "Intergovernmental Contract") between the Authority and the Unified Government, the Authority will receive payments from the Unified Government to enable the Authority to pay the Note; and

WHEREAS, said Intergovernmental Contract payments shall be assigned and pledged to the Lender as security for the payment of the principal of and interest on the Note, pursuant to an Assignment of Intergovernmental Contract (the "Assignment") from the Authority to Lender; and

WHEREAS, in the judgment of the Authority, the revenues and earnings to be derived by the Authority from the Intergovernmental Contract and all properties provided and sold in connection with the Project will be sufficient to pay the costs associated with the Project and to pay the amounts required in connection with the Note.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. For the purpose of financing the Project, including paying the costs of issuance, the issuance of the Note in the principal amount of up to \$4,500,000 is hereby authorized. The Note shall mature, bear interest and be payable as set forth in the form of Note incorporated in the Loan Agreement. The delivery of the Note to the Lender and the financing of the Project hereby are authorized. The Chairman and the Vice Chairman of the Authority are each charged with responsibility for issuance of the Note.

Section 2. The financing of the costs of the Project and the costs of issuance is a lawful and valid public purpose in that it will further the purposes intended to be served by the Act. The payments to be received by the Authority for such purpose pursuant to the terms of the Intergovernmental Contract are determined to be sufficient to pay the amounts to become due on the Note, and the Project and the Note are determined to be self-liquidating. The Intergovernmental Contract and the payments to be received thereunder for such purpose are pledged and assigned to the Lender as security for the payment of the amounts to become due on the Note. The Lender shall be entitled to receive and collect all payments, revenues and receipts paid or owing to the Authority for such purpose pursuant to the Loan Agreement, as is more fully set forth in the Assignment. Nothing in this Resolution, the Loan Agreement or the Note will prevent the Authority from issuing its revenue bonds in the future or from pledging any of its revenues, other than revenues from the Intergovernmental Contract (which are pledged as security for the Note), to the payment of other indebtedness or obligations.

Section 3. The Authority's execution, delivery and performance of and under the Assignment and the Intergovernmental Contract hereby are authorized. The Assignment and the Intergovernmental Contract shall be in substantially the forms attached hereto as Exhibits "A" and "B," respectively, subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Authority, and the execution of

the Assignment and the Intergovernmental Contract by the Chairman or Vice Chairman of the Authority and the attestation of the Secretary of the Authority, which is hereby authorized, ratified and confirmed, shall be conclusive evidence of any such approval.

Section 4. In order to set forth the agreements of the Authority in connection with the Note, the execution and delivery and performance of and under the Loan Agreement hereby are authorized. The Loan Agreement shall be in substantially the form attached hereto as Exhibit "C," subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution and delivery of the Loan Agreement by the Chairman or Vice Chairman of the Authority, and the attestation of the Secretary of the Authority, which is hereby authorized, shall be conclusive evidence of any such approval.

Section 5. The Authority hereby irrevocably elects to have Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code") apply to the Note, such that the Note will be a "Build America Bond" as permitted by the American Recovery and Reinvestment Act of 2009. The Authority hereby further elects to have Section 54AA(g) apply to the Note, such that the "direct credit payment to issuer" option as provided in Section 6431 of the Code will apply. The Authority hereby appoints the Unified Government, acting through such other Unified Government personnel as the Unified Government may designate, as its authorized representative(s) to deal with the Internal Revenue Service on all matters pertaining to the Note, including without limitation the filing and processing of Forms 8038CP and administration of amounts received pursuant thereto.

Section 6. The execution and delivery of the Note in the manner provided herein are hereby authorized. Anything herein or therein to the contrary notwithstanding, the Vice Chairman of the Authority is authorized to execute the Note in the event of the absence or incapacity of the Chairman of the Authority.

Section 7. The Chairman, or in his absence, the Vice Chairman and the Secretary of the Authority are hereby authorized, empowered and directed to accept other assignments, instruments and lease agreements necessary in order to effectuate the purposes of the transactions herein described, and to do and perform all other actions and things, including but not limited to the execution, delivery and compliance with all other agreements, documents, undertakings, certificates, filings, financing statements, recordings, instruments, certified proceedings and closing papers ("Additional Documents") relating to the transactions contemplated by the foregoing, and the Secretary of the Authority is authorized, empowered and directed to attest the signatures of such Chairman or Vice Chairman, as and if necessary, with the signatures of such officers to be conclusive evidence of their authority to do and perform such actions and things and to execute, deliver and seal such Additional Documents.

Section 8. All acts and doings of the officers of the Authority which are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Note and the related documents shall be, and the same hereby are, in all respects approved and confirmed.

Section 9. If any one or more of all agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Note authorized hereunder.

Section 10. All resolutions or parts thereof of the Authority in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

The next meeting will be scheduled as needed.

The meeting adjourned at 6:45 p.m.


Secretary