

**DRAFT SPECIAL CALLED MEETING MINUTES
OF THE BOARD OF MAYOR AND SELECTMEN
FOR THE CITY OF WEST POINT, MISSISSIPPI
FRIDAY, NOVEMBER 18, 2016
8:00 A.M.**

The Board of Mayor and Selectmen of the City of West Point, Mississippi held the Special Called Meeting the 18th day of November 2016 at 8:00 a.m. at City Hall, 204 Commerce Street, West Point, Mississippi. Members present were Mayor Harmon A. "Robbie" Robinson presiding, Selectman Jimmy Clark, Selectman Gary Dedeaux, Selectman William Binder, Selectman Keith McBryer, City Clerk Deloris Doss, and CAO Randy Jones. Selectwoman Linda Hannah and City Attorney Orlando Richmond were absent.

Mayor Robinson called the meeting to order followed by invocation given by Mayor Robinson.

The Mayor requested the City Clerk to incorporate the Notice of Special Called Meeting in these Minutes, **copied herein as an exhibit.**

NOTICE

This serves as notice, pursuant to Miss. Code 25-41-13, the Mayor and Board of Selectmen of the City of West Point, Mississippi will hold a Special Called Meeting on Friday, November 18, 2016 at 8:00 a.m. downstairs City Hall, 204 Commerce Street, West Point, Mississippi. The purpose of this meeting is to consider refinancing of the BancorpSouth Equipment Lease Purchase for Electric and Water Meters, CSPIRE Contract, and a personnel matter.



Harmon A. Robinson Mayor

11/17/2016 3:02 PM

The Mayor next called up the matter of proceeding with refinancing of a tax-exempt lease purchase agreement with BancorpSouth, which financed a Siemens USA Energy Performance Contract for Water and Electric meters. Projected savings would be \$212,728.58 for refinancing of the outstanding principal of \$4,871,472.00 and the Financial Advisor of Freidman, Luzzatto & Company will be advising the City.

Selectman Clark made the motion to proceed with the process of refinancing of the BancorpSouth lease. **See attached exhibit for Transaction Summary.**

1 Transaction Summary

LESSEE: City of West Point, MS

LESSOR: U.S. Bancorp Government Leasing & Finance, Inc.

LEASE: Tax-Exempt Lease Purchase Agreement

FINANCIAL ADVISOR: Friedman, Luzzatto & Co.

CLOSING DATE: December 19, 2016 (preliminary)

NET BENEFIT: \$212,729 (approximate)

REFUNDED PRINCIPAL: \$4,871,472 (Includes Closing Costs)

NET BENEFIT + NEW PRINCIPAL: 4.37% (approximate)

LESSEE'S FISCAL YEAR END: June 30

LEASE PAYMENTS: The Lease will pay principal and interest quarterly beginning February 18, 2017. The remaining term is 12 years. The final maturity will be August 18, 2028.

SECURITY: Security for the Lease will be the (i) Lease Payments paid by the Lessee pursuant to the Lease Purchase Agreement; (ii) a first lien and perfected security interest in the equipment acquired under the Lease Purchase Agreement; and (iii) the proceeds of any insurance policies (or policies of self-insurance) covering any property damage on the equipment.

FINAL PAYMENT DATE: August 18, 2028

THE PROJECT: The original projects included an Energy Performance Contract with Siemens USA for the installation of 5,837 water meters, 3,900 electric meters, energy management system, Lighting, and HVAC upgrade.

ORIGINAL TERM: 15 years plus one year for construction

ORIGINAL PRINCIPAL: \$5,873,336

PROCEEDS: Funds derived from the new Lease will be used to pay the outstanding principal balance with accrued interest of the original lease to the original lessor on December 19, 2016.

SOURCE OF PAYMENTS: In consideration for the lease of the Equipment to be described in the new Lease Purchase Agreement, the Lessee agrees to pay Lessor or its assignee, the amounts specified in the Payment Schedules, as set forth in the new Lease Purchase Agreement.

OPTIONAL PREPAYMENT: The Lease Purchase Agreement is subject to optional prepayment prior to maturity, in whole, at a price of 103% of par plus accrued interest on any payment date on or after January 18, 2018.

PROFESSIONALS:

LEGAL (VALIDITY) OPINION: City Attorney

TAX OPINION: Butler Snow LLP

2 Savings Schedule

Principal amount of the new Lease: \$4,871,471.61
 Original Lease Interest Rate: 3.07%
 New Lease Interest Rate: 2.21%
 Total Savings: \$212,728.58 (47 quarterly payments at \$4,526)
 Reduction in Lease Payment: 3.70%

Year	Current Total Annual Payment	New Total Annual Payment	Annual Savings
2017	\$489,099.52	\$470,994.96	\$18,104.56
2018	\$489,099.52	\$470,994.96	\$18,104.56
2019	\$489,099.52	\$470,994.96	\$18,104.56
2020	\$489,099.52	\$470,994.96	\$18,104.56
2021	\$489,099.52	\$470,994.96	\$18,104.56
2022	\$489,099.52	\$470,994.96	\$18,104.56
2023	\$489,099.52	\$470,994.96	\$18,104.56
2024	\$489,099.52	\$470,994.96	\$18,104.56
2025	\$489,099.52	\$470,994.96	\$18,104.56
2026	\$489,099.52	\$470,994.96	\$18,104.56
2027	\$489,099.52	\$470,994.96	\$18,104.56
2028	\$366,824.64	\$353,246.22	\$13,578.42
Total	\$5,746,919.36	\$5,534,190.78	\$212,728.58

*Optional Prepayment begins January 18, 2018

\$4,871,472
 City of West Point, Mississippi

~ November / December 2016 ~

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		15	16	17*	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19					

FINANCING SCHEDULE

Date	Activity	Responsibility
11/18/2016	Letter sent to BancorpSouth notifying them of "Intent to Prepay"	City of West Point
11/18/2016	Introductory call between the city of West Point, Friedman, Luzzatto, US Bank, Butler Snow, City Attorney	FLCO
12/7/2016	Finalization of all documents	US Bank & Butler Snow
12/13/2016	City Council approves refinancing documentation and passes resolution to refinance existing capital lease	City of West Point
12/13/2016	Mayor signs refinancing documentation and scans and e-mails documents to FLCO; sends originals to US Bank	City of West Point
12/19/2016	Closing Date	FLCO & US Bank

Selectman McBrayer seconded the motion.

The Mayor called for a vote and the results were as follows:

Selectwoman Linda Hannah voted: Absent
Selectman William Binder voted: Aye
Selectman Jimmy Clark voted: Aye
Selectman Gary Dedeaux voted: Aye
Selectman Keith McBrayer voted: Aye

Motion Carried

There was discussion regarding a change in the Building Department Policy relating to the amount required for an owner of a commercial building to obtain a permit and serve as a general contractor. No action was taken and will be discussed further at December's Work Session.

Motion to adjourn was made by Selectman McBrayer.

Selectman Binder seconded the motion.

The Mayor called for a vote and the results were as follows:

Selectwoman Linda Hannah voted: Absent
Selectman William Binder voted: Aye
Selectman Jimmy Clark voted: Aye
Selectman Gary Dedeaux voted: Aye
Selectman Keith McBrayer voted: Aye

Motion Carried


Meeting adjourned.

SEAL





Harmon A. Robinson, Mayor



Deloris A Doss, City Clerk