

PORT COMMISSION SPECIAL MEETING – March 16, 2005

The Port of Port Townsend Commission met in special session at the Port of Port Townsend Administration Office. The newspapers of record having been duly notified.

Present: Commissioners: Beck, Sokol and Pirner
Executive Director – Crockett
Auditor - Taylor
Deputy Director – Pivarnik
Port Financial Advisor – Alan Dashen, of A. Dashen & Associates
Port Bond Counsel – Cynthia Weed, of Preston, Gates & Ellis
Absent: Operations Manager – Radon

I. CALL TO ORDER: The meeting was called to order at 5:00 PM.

II. APPROVAL OF AGENDA:

None

III. CONSENT AGENDA:

Not applicable

IV. PUBLIC COMMENTS: (not related to Agenda)

None

V. OLD BUSINESS:

A. Revenue Refunding Bonds – 2005

Mr. Dashen reviewed the successful marketing period held earlier today for the Port Revenue Refunding Bonds, with a par amount of \$4,455,000, which refund the outstanding balance of our 1996 Revenue Bond issue. All but about \$1M of the refunding bonds were ordered during the initial order period, and Banc of America Securities has agreed to purchase the remaining bonds, to resell in their retail market. Mr. Dashen reviewed the Ports recent Bond Rating of Baa1 from Moody's Investors Service. This is the first time the Port has been able to obtain a bond rating, and the rating clearly helped make the bonds more marketable. He also reviewed the refunding process, which was first discussed back in 2001, and presented graphs showing the rate the Port negotiated today (4.41%) as a very good rate, compared to the rate history of the last 20 years, and that this clearly was the time for the transaction, as the Port will realize a Net Present Value Savings of \$227,300.00 over the remaining 11-1/2 year life of the bonds. He also thanked Dave Trageser of Banc of America Securities, who could not attend this meeting, for his good work at putting this transaction together for the Port.

Ms. Weed then reviewed the legal side of the refunding transaction and presented the Port Resolution No. 442-05, which approves the sale of the Bonds, and Banc of America Securities Purchase Agreement for the Bonds. She also advised that the bond closing is scheduled for March 30, 2005, and that there will be additional documents for appropriate Port signatures, as authorized in the Resolution.

Commissioner Sokol moved for adoption of Port Resolution No. 442-05, and Banc of America Securities Purchase Agreement for the Bonds, thus approving the sale of the Ports Revenue Refunding Bonds – 2005, and authorizing the closing process to proceed. The motion carried by unanimous vote.

VI. NEW BUSINESS:

None

VII. STAFF COMMENTS:

None

VIII. PUBLIC COMMENTS:

IX. COMMISSIONER COMMENTS:

X. NEXT MEETING:

Regular Meeting Wednesday, March 23 at 7:00 PM at the Tri-Area Community Center in Chimacum.

XI. EXECUTIVE SESSION:

None

XII. ADJOURNMENT:

The meeting was adjourned at 5:25 PM. there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President