A special meeting of the Montgomery County Community College Board of Trustees was held on Wednesday, August 28, 2013 at 8:30 a.m. via phone conference in the President’s Office Conference Room, College Hall.

Board of Trustees – Present:
(In Person) Michael D’Aniello, Chairperson; Trudy Mann, Secretary; Ed Mullin, Richard Montalbano
(Via Phone) Andy Cantor, Vice Chairperson; Regina Lowrie, Treasurer; Moon Ahn, Susan Arnhold, Geoffrey Brandon, John Rafferty, Sean Kilkenny, Ellen Toplin

Absent: Marcel Groen, Assistant Secretary, Margot Clark and Eric Kretschman (e-mailed vote)

Also Present:
Karen Stout, President; Marc Davis, Solicitor; Thomas Freitag, Vice President for Finance and Administration, Deborah Rogers, Executive Assistant to the Board of Trustees

Call to Order

Chairperson D’Aniello called the meeting to order at 8:30 a.m.

Resolution to Authorize the 2013 Bonds

A special meeting of the Board of Trustees was called to review and approve a revision to the Health Sciences Center (HSC) resolution that was approved by the Board dated January 22, 2013 in the amount of $34.6 million.

The College is now requesting the Board of Trustees to act on the revised resolution that will enable the College to issue up to $55 million of bonds to include funding for the HSC project plus the refinancing of the 2005 Bonds. The resolution specifically authorizes the Board and College administration to take all actions necessary to issue the 2013 Bonds in accordance with the conditions set forth in the resolution.

As part of the financing for the HSC, the College has been reviewing the feasibility and benefit of refinancing the College’s Revenue Bonds, Series of 2005 (2005 Bonds). Working with RBC, the College has provided for the refunding in its work to date with the State Public School Building Authority (PSBA) and in its due diligence work for the bond issuance.

RBC provided options for the College to consider refunding all or part of the 2005 issue. The College evaluated the options and recommended the scenario in which only the callable bonds are refunded. In this case the College receives the greatest profit/loss benefit in year #1 ($162,496) and over the twelve year remaining term on the 2005 Bonds ($916,540).

The County Commissioners approved the proposal to refinance the 2005 Bonds in their meeting on August 15, 2013. The County agrees that their portion of the savings will be retained by the College. The College has also ascertained that PDE also endorses the College retaining the savings.
By refinancing in conjunction with the HSC bond issuance, there are clear cost and process advantages. Although, the interest rate environment could improve or deteriorate between now and the call date in 2015, Board approval of the revised resolution will enable the College to issue the $34.6M of bonds for the HSC project and refinance the $19 M of 2005 Bonds.

Trustee Mullin made the motion to approve the revised resolution (attachment A) authorizing the Officers of the Board and the College to undertake all necessary actions required to issue the 2013 Bonds in an amount not to exceed $55 million for the purpose of financing the Health Science Center project and refinancing the 2005 Bonds. Trustee Mann seconded and the Board unanimously approved.

**Adjournment**
The meeting was adjourned at 8:40 a.m.

The next meeting is scheduled for Monday, September 16, 2013 at 4:00 p.m. at the Central Campus.

_________________________
Trudy Mann
Secretary

Board Minutes, August 28, 2013
RESOLUTION OF
THE BOARD OF TRUSTEES
OF
MONTGOMERY COUNTY COMMUNITY COLLEGE

AUTHORIZATION OF PROJECT AND FUNDING RESOLUTION

Adopted:

August 28, 2013

WHEREAS, this meeting of the Board of Trustees of the Montgomery County Community College (the "College") has been called upon proper notice given in accordance with the By-laws of the College and the provisions of the Sunshine Act of July 3, 1986, P.L. 388, No. 84, Section 1, as amended; and

WHEREAS, the State Public School Building Authority (the "Authority") has previously issued its College Revenue Bonds (Montgomery County Community College Project), Series of 2005 (the “2005 Bonds”) to finance: (i) the design, construction, development and furnishing of the ATC Center, (ii) the design, renovation, expansion, construction, development and furnishing of the Art Barn, (iii) capitalized interest on the 2005 Bonds, and (iv) the costs of issuance of the 2005 Bonds; and

WHEREAS, the Board of Trustees desires to authorize the refunding in advance of all or a portion of the 2005 Bonds, subject to the parameters set forth herein; and

WHEREAS, the Board of Trustees of the College has heretofore approved (a) certain capital projects for use and operation by the College, namely: (i) renovations, upgrades and additions to the physical education building for a new integrated Health Sciences Center located at 340 DeKalb Pike, Blue Bell, PA on the College’s Central Campus; (ii) other capital projects located on the College’s Central Campus including enhancements to recreational and athletics
facilities to support the College’s goals of building student and community engagement (collectively, the “Improvements”), and desires to ratify and confirm its approval of the construction, development and financing of the Improvements and to authorize the proper officers of this College to take such actions and to execute such documents and agreements as shall be necessary to proceed with the construction, development and financing of the Improvements; and

WHEREAS, in order to provide the necessary funds for the construction and completion of the Improvements, and the refunding in advance all or a portion of the 2005 Bonds, the Board of Trustees of the College authorized the College administration to apply to the Authority requesting the Authority to issue its College Revenue Bonds in one or more series (the "2013 Bonds" or the “Bonds”) and to loan the proceeds of the 2013 Bonds to the College; and

WHEREAS, under the State Public School Building Authority Act, Act of July 5, 1947, P.L. 1217, as amended (the "Act") and a resolution of the Authority authorizing the undertaking of a Project on behalf of the Montgomery County Community College dated July 2, 2013, the Authority is being requested to issue the 2013 Bonds in the aggregate amount of up to FIFTY FIVE MILLION DOLLARS ($55,000,000)(net of original issue discount) to finance: (a) certain capital projects for use and operation by the College, namely: (i) renovations, upgrades and additions to the physical education building for a new integrated Health Sciences Center located at 340 DeKalb Pike, Blue Bell, PA on the College's Central Campus; (ii) other capital projects located on the College's Central Campus including enhancements to recreational and athletics facilities to support the College’s goals of building student and community engagement; (i), and (ii), together the "2013 Capital Project"); (b) the advance refunding of all or a portion of the
Authority's Revenue Bonds, Series of 2005 (the "Refunding Project"), and along with the 2013 Capital Project, the "Project"); and (c) the costs of issuance of the 2013 Bonds. (collectively, the "Project"); and

WHEREAS, the 2013 Bonds are to be issued under a certain Trust Indenture (the "Trust Indenture") between the Authority and The Bank of New York Mellon Trust Company, National Association, as trustee (the "Trustee"); and

WHEREAS, the Authority will loan the net proceeds of the 2013 Bonds to the College and the College will agree to make loan payments to the Authority sufficient to pay the principal of, premium, if any, and interest on the 2013 Bonds when due and certain other fees and expenses related to the 2013 Bonds pursuant to the terms of a Loan Agreement between the College and the Authority (the "Loan Agreement"), and a note to be executed by the College and delivered to the Authority ("Note"), evidencing the College’s payment obligations under the Loan Agreement; and

WHEREAS, the Loan Agreement and the Note will be assigned by the Authority to the Trustee as required by the Trust Indenture; and

WHEREAS, the College will agree to make periodic disclosures and filings of financial and other information and notices regarding the College pursuant to the terms of a Continuing Disclosure Agreement among the College, the Authority and the Trustee (the "Continuing Disclosure Agreement"); and

WHEREAS, the Pennsylvania "Community College Act of 1963", Act of August 24, 1963, 484 P.L. 1132 Section 1, et seq., 24 P.S. Section 5201 et seq., which Act was repealed and replaced by the Act of July 1, 1985, P.L. 103, No. 31, Section 1 et seq., 53 P.S. Section 301 et
seq. (hereinafter, the "Community College Act") requires the County of Montgomery, Pennsylvania (the "County"), as sponsor of the College, to maintain a plan and financial program for community college operation including provision by the County of up to one-half of the College's annual capital expenses, including the amounts to be paid to the Authority under the terms of the Loan Agreement, which constitute capital expenses; and

WHEREAS, the Board of County Commissioners, in its capacity as the sponsor's governing body, has given its formal approval to the Project in an amount of up to SEVENTEEN MILLION AND FIVE HUNDRED THOUSAND Dollars ($17,500,000) as proposed by the Board of Trustees of the College; and

WHEREAS, the Pennsylvania Department of Education has given its approval and commitment for financial support for the Project in an amount up to Seventeen Million Three Hundred Four Thousand Five Hundred Eighty Three Dollars ($17,304,583);

WHEREAS, there has been submitted to the Board of Trustees a form of purchase contract ("Purchase Contract") by, between and among the College, the Authority and RBC Capital Markets, LLC, as underwriter (the "Underwriter") relating to the purchase of the 2013 Bonds; and

WHEREAS, there will be submitted to the Board of Trustees a form of Preliminary Official Statement (the "Preliminary Official Statement") describing the 2013 Bonds, the Project to be financed and other material information for prospective purchasers of the 2013 Bonds; and

WHEREAS, in connection with the offer and sale of the 2013 Bonds, it is necessary for the Board of Trustees of the College to authorize and approve the form, distribution and use of the Preliminary Official Statement and a final Official Statement (collectively, the "Official
WHEREAS, the College may use a portion of the proceeds of the 2013 Bonds to reimburse itself for original expenditures paid prior to the date of issuance of the 2013 Bonds.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The design, construction, development and completion of the Improvements in substantial conformity with the budgets, diagrams, plans and specifications presented to the Board of Trustees of the College are hereby approved, and the proper officers of the Board of Trustees of the College as listed in Paragraph 4 hereof are hereby authorized to take such actions and execute such documents, instruments and agreements as may be necessary or beneficial in connection therewith.

2. The descriptions of the Project and the College, as to be set forth in the Official Statement, are hereby approved with such modifications, changes and alterations, as may be approved by the Chairman of the Board of Trustees and following such approval, the proper officers of the Board of Trustees of the College, as listed in Paragraph 4 hereof, are hereby authorized to take all such action as in their judgment may be necessary or desirable in connection with the completion of the portions of the Official Statement which describe or are applicable to the College and the Project.

3. Subject to and conditioned upon the provisions of and satisfaction of the parameters set forth in Section 4 of this Resolution, the College is hereby authorized to enter into a financing transaction with the Authority and the Underwriter as set forth above and to perform all obligations and duties thereunder or in respect thereof in accordance with the provisions of the Loan Agreement, the Note, the Purchase Contract and all documents in pursuance thereof.
4. The Board of Trustees hereby establishes that the Note, Loan Agreement, Purchase Contract, Continuing Disclosure Agreement and any other documents, agreements and/or certificates to be executed by the College in connection therewith (collectively, the “Loan Documents”) are hereby authorized hereunder subject to the Loan Documents meeting the following parameters: (a) the 2013 Bonds shall not exceed Fifty Five Million Dollars ($55,000,000) in aggregate principal amount (net of original issue discount); (b) the final maturity of the 2013 Bonds shall not be later than May 1, 2038; (c) the Underwriter’s discount shall not exceed $2.285 per $1,000.00 principal amount of 2013 Bonds; and (d) the maximum all-in true interest cost (after consideration of all issuance costs) of the 2013 Bonds shall not exceed 6.00% per annum. The savings from the Refunding Project shall be at least 2% of the outstanding principal amount of the 2005 Bonds advance refunded (net costs of issuance). In the event that such savings are not achieved, the College shall not pursue the Refunding Project, but shall proceed with the 2013 Capital Project (in conformity with the foregoing parameters) and “Project” shall mean the 2013 Capital Project. The Board of Trustees of the College hereby agrees to the financing of the Project as provided herein subject to the Underwriter submitting the Purchase Contract satisfying the conditions and parameters set forth herein. A copy of the final Purchase Contract, once executed by the parties thereto, shall be delivered to the Secretary of the Board of Trustees of this College and shall be affixed to and shall become part of this Resolution.

The Board of Trustees of the College hereby delegates to and authorizes the execution and delivery of the Loan Documents, subject, however, to the Loan Documents conforming to and satisfying the parameters and requirements set forth in this Section 4.
The Underwriter shall determine the final terms of the 2013 Bonds and Purchase Contract within the parameters set forth in this Resolution, including without limitation the final interest rates, initial offering prices and yields and any other appropriate terms and conditions applicable to the 2013 Bonds and Loan Documents, and shall present such final terms in a final Purchase Contract executed by the Underwriter. The Chairman of the Board of Trustees is hereby authorized and directed to review and approve the final terms of the 2013 Bonds and Purchase Contract presented by the Underwriter and to determine if such terms are within the parameters established hereunder. Upon presentation by the Underwriter of the final terms of the 2013 Bonds and an executed Purchase Contract in satisfaction of the conditions and parameters set forth in this Resolution, and with the concurring approval of the Solicitor of the College and Chairman of the Board of Trustees of the College; the Chairman and Secretary of the Board of Trustees of the College, or a Vice Chairman or Assistant Secretary, in the absence of the Chairman or Secretary, respectively, or any duly appointed successors, as the case may be, are hereby authorized and directed to confirm in writing that such conditions and parameters have been satisfied, to accept the final terms of the 2013 Bonds and Purchase Contract, to execute and deliver a final Purchase Contract setting forth the final terms of the 2013 Bonds and Loan Documents, to deliver a copy of same to the Underwriter and the Secretary of the Board of Trustees of the College and to authorize the release of the Note upon settlement thereof.

5. Subject to and conditioned upon the Chairman of the Board of Trustees approving a Purchase Contract as satisfying the parameters set forth in Section 4 of this Resolution, the President of the College, Chairman of the Board of Trustees, or any other officer of the College or its Board of Trustees, is hereby authorized and directed to execute and deliver, without further approval or direction of the Board of Trustees, and the Secretary or Assistant Secretary of the
Board of Trustees of the College is hereby authorized and directed to affix and attest the corporate seal of the College, if necessary, to the Loan Agreement, the Note, the Continuing Disclosure Agreement, the Official Statement and the other Loan Documents, with such modifications, changes and alterations therein as the solicitor to the College may advise and as may be approved by the officers executing the same on behalf of the College in their sole and absolute judgment, such approval to be conclusively evident by the execution thereof.

6. Subject to and conditioned upon the Chairman of the Board of Trustees approving a Purchase Contract as satisfying the parameters set forth in Section 4 of this Resolution, the President of the College, the Chairman of the Board of Trustees or any other officer of the College or its Board of Trustees is hereby authorized and directed to execute and deliver, and the Secretary or Assistant Secretary is hereby authorized and directed to affix and attest the corporate seal of the College to such other instruments, documents, consents, certificates and agreements, and to do and perform such other and further acts (including, without limitation, securing municipal bond insurance for the Bonds if determined by the Chairman of the Board of Trustees to be economically advantageous to the College), directing the investment of the proceeds of the Bonds in accordance with the College’s investment policy, submitting requests for approval of the Project and the financing thereof, or any increases to prior approvals obtained, from the Pennsylvania Department of Education, the County of Montgomery and other appropriate governmental entities, authorization and execution of construction and other contracts and agreements in connection with the Project and taking such actions as may be necessary for the College to comply with the Loan Documents and the Internal Revenue Code of 1986, as amended and the regulations thereunder), as may be necessary or desirable, in the sole
and absolute judgment of such officers, in order to effect, implement or consummate the
foregoing Resolutions or the above-described financing arrangement, and the acts of such
officers shall be the acts of and binding upon the College.

7. In accordance with Treasury Regulation §1.150-2, the College hereby states its
intentions that a portion of the proceeds of the 2013 Bonds may be used to reimburse the College
for expenditures paid prior to the date of issuance of the 2013 Bonds. All capitalized terms used
in this Section 7 and not otherwise defined have the same meaning as ascribed to them in
Treasury Regulation § 1.150-2.

a. All original expenditures to be reimbursed will be capital
   expenditures (as defined in Treasury Regulation § 1.150-1(b)) and other amounts permitted to be
   reimbursed pursuant to Treasury Regulation §. 1.150-2(d)(3) and (f).

b. The College intends to reimburse the original expenditures through
   the College's incurrence of debt to be evidenced by the 2013 Bonds, the proceeds of which will
   be used to effect the Project.

c. Once the 2013 Bonds are issued, the College shall allocate 2013
   Bond proceeds to reimburse a prior expenditure by making the allocation on its books and
   records maintained with respect to the 2013 Bonds; provided that such costs to be reimbursed
   were paid not more than 60 days prior to the date hereof or constitute "preliminary expenditures"
   as defined in Treasury Regulation §1.150-2(f)(2). Such allocation shall specifically identify the
   actual original expenditure to be reimbursed. Such allocation shall occur not later than 18
   months after the later of (i) the date on which the original expenditure is paid, or (ii) the date the
   Project is placed in service or abandoned, but in no event more than 3 years after the original
expenditure is paid. If the 2013 Bonds are issued before the expiration of the period prescribed in the preceding sentence, then the reimbursement allocation shall occur not later than the date the 2013 Bonds are issued.

d. the 2013 Bond proceeds used to reimburse the College for original expenditures will not be used within 1 year after the allocation in a manner that results in the creation of "replacement proceeds" for the 2013 Bonds or for other bonds.

e. the College will not use the proceeds of the 2013 Bonds to reimburse, refinance or refund an original expenditure paid by another obligation (either tax-exempt or taxable) without approval by Bond Counsel.

8. This Resolution shall become effective immediately.

9. This Resolution supersedes all prior Resolutions of the Board of Trustees of the College with respect to this financing to the extent inconsistent with the provisions of this Resolution.
MONTGOMERY COUNTY COMMUNITY COLLEGE

Attest: [Signature]
Secretary

BY: [Signature]
Chairman
CERTIFICATE

I, the undersigned, Secretary of the Board of Trustees of the Montgomery County Community College (the "College"), certify that: the foregoing is a true and correct copy of a Resolution that was duly adopted by affirmative vote of a majority of all members of the Board of Trustees of the College at a meeting duly held on the 28th day of August, 2013; said Resolution has been duly recorded in the minute book of the Board of Trustees of the College; and said Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of Trustees of the College met the advance notice requirements of Act No. 175 of the General Assembly of the Commonwealth of Pennsylvania, approved July 19, 1974, as amended, by advertising the time and place of said meeting and by posting prominently a notice of said meeting at the public building in which said meeting was held.

I further certify that: the total number of members of the Board of Trustees of the College is fifteen (15); the vote of members of the Board of Trustees of the College upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of Trustees of the College voted upon said Resolution in the following manner:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
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<tr>
<td>Michael D’Aniello</td>
<td>Yes</td>
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<tr>
<td>Andy Cantor</td>
<td>Yes</td>
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<td>Regina Lowrie</td>
<td>Yes</td>
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<td>Trudy Mann</td>
<td>Yes</td>
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<td>Marcel Groen</td>
<td>Yes</td>
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<td>Moon Ahn</td>
<td>Yes</td>
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<td>Susan Arnhold</td>
<td>Yes</td>
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<td>Geoff Brandon</td>
<td>Yes</td>
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IN WITNESS WHEREOF, I set my hand and affix the official seal of the College this 28th day of August, 2013.

MONTGOMERY COUNTY COMMUNITY COLLEGE
(SEAL)

BY: [Signature]
Secretary
Board of Trustees

| Eric Kretschman | Yes |
| Rich Montalbano | Yes |
| Ed Mullin       | Yes |
| John Rafferty  | Yes |
| Ellen Toplin    | Yes |
| Margot Clark    | Absent |
| Sean Kilkenny   | Absent |