

BURLINGTON TELECOM – REQUEST FOR PROPOSAL  
TO REFINANCE BURLINGTON TELECOM’S DEBT

In the year Two Thousand Nine.....

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, Burlington Telecom (BT) is a telecommunications utility wholly-owned by the City of Burlington (City); and

WHEREAS, BT provides competitive voice, television and internet services to close to 5,000 customers; and

WHEREAS, BT is in violation of Condition 60 of its Certificate of Public Good to operate issued by the Vermont Public Service Board; and

WHEREAS, Mayor Bob Kiss and the City Council are working to bring BT into compliance with Condition 60; and

WHEREAS, Municipal Lease Consultants (MLC) of Grande Isle, Vermont, acting on behalf of the City, solicited Piper Jaffray & Co for a proposal to refinance BT’s current \$33 million lease/purchase debt and its \$17 million debt to the City of Burlington; and

WHEREAS, neither the City nor MLC issued a Request for Proposal to solicit proposals to refinance BT’s debt from other potential underwriters; and

WHEREAS, Piper Jaffray & Co has submitted a proposal to refinance BT’s debt; and

WHEREAS, the Mayor has asked the City Council for authorization to sign a Letter of Intent with Piper Jaffray & Co to further explore the proposal; and

WHEREAS, it is in the best interests of BT and Burlington taxpayers to refinance BT’s debt with the most favorable terms; and

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WHEREAS, in order to secure the most favorable terms to refinance BT’s debt it is the City Council’s position that a Request for Proposal be issued to seek as many competitive options as possible, in addition to the Piper Jaffray & Co proposal;

NOW, THEREFORE, BE IT RESOLVED that the City Council directs the Chief Administrative Officer no later than December 15, 2009 to issue the Request for Proposals to Refinance Burlington Telecom’s Debt (Attachment 1) to the firms listed on Attachment 2.