

STATE BUILDING AUTHORITY

A meeting of the State Building Authority (SBA) Board of Trustees was held at the Operating Engineers Local 324 Journeyman and Apprenticeship Training Center, located at 275 East Highland Road, Howell, Michigan, at 2:00 p.m., Monday, December 7, 2015.

Board Members Present:

Carol Walters
Stephen D'Arcy
Kenneth Lingenfelter (arrived at 2:10 p.m.)
Linda Orlans

Board Members Absent:

Pat Devlin

Authority Staff:

Debbie Roberts, Executive Director
Carol Schulz, Financial Specialist
TeAnn Smith, Financial Analyst

Others Present:

Alan Lambert (Attorney General's Office)
Jessica Babridge (Attorney General's Office)
Rachael Eubanks (R.W. Baird)
Lynette Witgen (Department of Treasury)

Co-Chairperson Walters called the meeting to order at 2:00 p.m. Ms. Walters introduced herself and the board members present. Ms. Walters indicated that Linda Orlans has recently been appointed to the State Building Authority and asked Ms. Orlans to give a brief description of herself. It was noted that a quorum was present.

Ms. Roberts discussed the status of the FY 2015 audit report indicating the audit is almost complete and there are no major findings anticipated.

Ms. Walters asked if there were any comments from the public. There were none.

The minutes of the June 15, 2015, meeting were reviewed. Stephen D'Arcy moved that the minutes be accepted as written. Linda Orlans supported the motion, which passed unanimously.

Ms. Roberts reviewed the agenda, which included an update of the Commercial Paper (CP) Program, an update of the most recent audit, a resolution for a carve-out of excess property for a currently bonded project that will be used for an upcoming project, and a second resolution for approval of two projects for inclusion in the Commercial Paper Program. Finally, there was the proposed 2016 meeting schedule.

Ms. Schulz reviewed the CP status report and noted that there are currently six projects in the CP program. The total CP outstanding amount is approximately \$46.3 million and was issued on October 20 at a rate of .07% with a maturity date of December 17, 2015. Mr. D'Arcy inquired whether the CP rate would raise due to the increased rates and Ms. Eubanks indicated the short term interest rate would see some tick up.

Rachael Eubanks presented an overview of the 2015 Revenue and Revenue Refunding Bonds sale and indicated a significant amount had been refunded with present value savings of approximately \$93 million. Ms. Eubanks indicated that the state received an upgrade in their credit rating. Carol Walters congratulated Ms. Eubanks on the completion of the refunding transaction and the recent state rating upgrade.

Ms. Roberts explained the first resolution presented to the Board is for approval of the conveyance of property of Jackson College and an amendment to the lease for a project to enter the Commercial Paper Program. Ms. Roberts further explained that a carve out is needed to allow overlap in the easement description which was included in a previously bonded project. Ms. Walters asked if there were any questions on the resolution. There were none. It was moved by Stephen D'Arcy, supported by Linda Orlans, that the Board approve the Resolution of the State Building Authority Approving the Conveyance of Property of Jackson College and an Amendment to Lease. A motion for a roll call vote was conducted with the following results:

- Ms. Walters – Yes
- Mr. D'Arcy - Yes
- Mr. Lingenfelter – Yes
- Ms. Orlans – Yes

The second resolution presented to the Board is to allow for two projects to enter the Commercial Paper Program and for approval of construction agreements, conveyances of property, leases and easement agreements, if necessary, for two facilities. Ms. Walters asked if there were any further questions on the resolution. It was moved by Linda Orlans, supported by Stephen D'Arcy, that the Board approve the Resolution of the State Building Authority Approving Construction Agreements, Conveyances of Property, Leases and Easement Agreements, if Necessary, for Certain Facilities.

- Michigan State Police State Emergency Operations Center
- University of Michigan-Dearborn Science and Computer Information Science Building Renovations

A motion for a roll call vote was conducted with the following results:

- Ms. Walters – Yes
- Mr. D'Arcy - Yes
- Mr. Lingenfelter – Yes
- Ms. Orlans – Yes

TeAnn Smith presented the 2016 meeting schedule. Ms. Roberts indicated the next regular meeting scheduled for Monday, January 25, 2016, will be cancelled and it is anticipated that the April 18 meeting will be held. A large refunding transaction is anticipated for next summer.

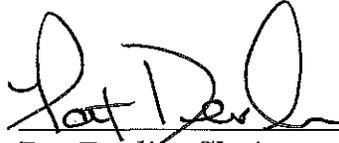
Stephen D'Arcy made a motion for adjournment supported by Linda Orlans.

Ms. Walters adjourned the meeting at 2:30 p.m.

APPROVED AND ADOPTED:



Deborah M. Roberts, Executive Director



Pat Devlin, Chairperson