

**OKLAHOMA CAPITOL IMPROVEMENT AUTHORITY
SPECIAL MEETING
June 18, 2019
2:00 p.m.
Conference Room 419-C
State Capitol Building
Oklahoma City, Oklahoma**

A meeting notice was filed with the Secretary of State and agenda posted in accordance with the Open Meeting Act.

MEMBERS PRESENT: Matt Pinnell, Lt. Governor
Randy McDaniel, State Treasurer
John Budd, Executive Director of OMES
Steve Burrage, Secretary-Member, Oklahoma Tax Commission
Tim Gatz, Director, Oklahoma Dept. of Transportation

MEMBERS ABSENT: J. Kevin Stitt, Governor
Jerry Winchester, Director, Tourism and Recreation
Justin Brown, Director, Department of Human Services

GUESTS: Joe Birley, OMES OCIA
Thomas Schneider, OAG/OCIA
Andrew Messer, Treasurer's Office/State Bond Advisor
Alexandra Edwards, Treasurer's Office/Bond Advisor Office
Beverly Hicks, OMES OCIA
Jered Davidson, PFLG
Will Bermudez, Hilltop Securities
Jon Dutton, OAG
Chris Gander, BOKFS
Arnella Karges, Senate
Shawn Ashley, ECapitol

1. Announcement of filing meeting notice and posting of the agenda in accordance with the Open Meeting Act:

Lt. Governor Pinnell was advised that notice of the meeting had been given, and an agenda posted in accordance with the Open Meeting Act.

2. Call to order: [Chair]

Lt. Governor Pinnell called the meeting to order at 2:03 p.m.

3. Roll call and determination of a quorum: [Chair]

A roll call was taken and a quorum established.

4. Discussion and possible action to approve the minutes of March 5, 2019 meeting. [Chair]

Treasurer McDaniel moved to approve the March meeting minutes. Director Gatz seconded the motion. The motion passed and the following votes recorded:

Lt. Governor Pinnell, aye; Treasurer McDaniel, aye; Director Budd, aye; Commissioner Burrage, abstain; Director Gatz, aye.

5. Capitol Repair Bonds: Discussion and possible action on a Supplemental Resolution approving and authorizing the issuance of not to exceed Fifty-Nine Million Eight Hundred and Ninety-Five Thousand Dollars (59,895,000) State Facilities Revenue Bonds, Series 2019C (Capitol Repair Project), or as further designated, said bonds being second and final series of the 2016 authorization of State Facilities Revenue Bonds, in an aggregate amount principal amount not to exceed One Hundred Twenty-Five Million Dollars (125,000,000) for the purpose of providing funds to acquire real property of the State Capitol building and associated furniture, fixtures, and equipment, and paying cost of issuance related thereto; approving the sale of the Bonds at negotiated sale; providing for a certificate of determination; specifying the terms and conditions of the Bonds; specifying the utilization of the lease agreement for use and occupancy and other agreement in connection with the financing; approving and authorizing the lease agreement for use and occupancy and providing other terms and conditions in connection with the Bonds; approving and authorizing all documents relating to the Bonds including, but not limited to the (a) Preliminary Official Statement, (b) Official Statement, (c) Continuing Disclosure Agreement, (d) Bond Purchase Agreement, (e) Lease Agreement for Use and Occupancy, (f) Transfer Agent/Registrar/Paying Agent and Custodian Agreement, and (g) all ancillary documents; authorizing all OCIA officers to execute all documents in connection therewith; authorizing payment of costs of issuance of the Bonds; and authorizing OCIA officers, staff, and service providers to take necessary actions to structure, issue and deliver the Bonds. [Andrew Messer & Office of Attorney General]

Andrew Messer, State Bond Advisor, reported that in 2016 the Legislature adopted HB 3168, which authorized the issuance of up to \$125,000,000 for the renovation of the State Capitol Building. In 2018, the Authority hired service providers to proceed with transactions and adopted a resolution for the first issuance on October 11, 2018 in the amount of \$65,105,000 with a remaining balance of \$59,895,000 to be issued for the project. The supplemental resolution would simply authorize the Authority to go to market with the finance team, issue the bonds and provide proceeds to the project to complete construction and renovation of the Capitol building. A finance team was selected July 9, 2018 at the OCIA meeting. The finance team is comprised of Hilltop Securities as financial advisor, RBC Bank as lead underwriter, Bank of Oklahoma as co-managing underwriter, Public Finance Law Group PLLC as bond counsel, Bank of Oklahoma as paying agent, and Locke Lord LLP as disclosure counsel.

Director Gatz moved to approve and authorize as presented. Treasurer McDaniel seconded the motion. The motion passed and the following votes recorded:

Lt. Governor Pinnell, aye; Treasurer McDaniel, aye; Director Budd, aye; Commissioner Burrage, aye; Director Gatz, aye.

6. Review, discussion and possible action to ratify the User Agreement addendum between the State Treasurer's Office, BondLink, Inc., and OCIA. The addendum, was executed by the Secretary of the Authority on May 7th, 2019, allowing OCIA to access the BondLink platform to provide information to investors in a more transparent and efficient manner. [Andrew Messer & Office of Attorney General]

Mr. Messer reported that on March 5, 2019 the Authority approved for the execution of an addendum to a contract. The Treasurer's Office entered into a contract with BondLink, Inc. to provide an investor relation platform and transparency website that provides a consolidated source of information on bond offerings, financial documents, and other resources that are useful in research and investment decisions in OCIA bond offerings. The addendum was adopted by the Authority subject to ratification after review by the Authority's counsel, and after Secretary (Director) Budd, as secretary of the Authority executed the amendment on May 7, 2019.

Director Gatz moved to approve the ratification as presented. Director Budd seconded the motion. The motion passed and the following votes recorded:

Lt. Governor Pinnell, aye; Treasurer McDaniel, aye; Director Budd, aye; Commissioner Burrage, aye; Director Gatz, aye.

7. Discussion and possible action to authorize OCIA staff, with the assistance of the Oklahoma State Treasurer's Office to prepare and distribute requests for proposals ("RFPs") for services of financial advisor, bond counsel, underwriter(s), trustee/paying agent, printer, and escrow verification agent, and to appoint and authorize a committee to evaluate proposals submitted for the purpose of making recommendations to the Authority for selection of Financial Advisor, Bond Counsel, Underwriter(s), trustee/paying agent, and escrow verification agent, with respect to possible refunding of the State Highway Capital Improvement Revenue Bonds, Series 2010B. [Andrew Messer]

Mr. Messer reported that the Treasurer's office and OCIA staff are constantly monitoring OCIA's bond portfolio for opportunities to execute refinancing or refunding to achieve debt service savings. After reviewing the portfolio and given some recent moves in the municipal market where rates have come down some hundred basis points from six months ago, the State Highway Improvement Bond Series 2010B, issued for the benefit of the Department of Transportation was identified as a potential candidate for refunding. Based on current market conditions, a refinancing of those bonds is estimated to generate 2.67 million dollars in net present value debt service savings and 3.38 million dollars in gross debt service savings.

Director Budd moved to approve and authorize as presented. Treasurer McDaniel seconded the motion. The motion passed and the following votes recorded:

Lt. Governor Pinnell, aye; Treasurer McDaniel, aye; Director Budd, aye; Commissioner Burrage, aye; Director Gatz, aye.

Committee members selected to evaluate proposals: Treasurer McDaniel, Director Budd and Director Gatz.

8. Report from staff and update on recent developments. [Andrew Messer]

a. Possible discussion by the Authority membership on the report and updates may follow.

Mr. Messer provided a brief update on Series 2019A for the Conservation Commission and 2019B for the Office of Juvenile Affairs bonds issued since the March 5, 2019 meeting.

Report only. No action taken.

9. Adjournment. [Chair]

There being no further business, Treasurer McDaniel made the motion to adjourn. Director Gatz seconded the motion. Seeing no opposition, the meeting adjourned at 2:18 p.m.