

**OKLAHOMA CAPITOL IMPROVEMENT AUTHORITY
SPECIAL MEETING MINUTES
JUNE 19, 2018
10:00 a.m.
Governor's Large Conference Room
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: Mary Fallin, Governor
Todd Lamb, Lt. Governor
Ken Miller, State Treasurer
Denise Northrup, Executive Director of OMES
Thomas Kemp, Secretary-Member, Oklahoma Tax Commission
Dick Dutton, Director, Tourism and Recreation
Mike Patterson, Director, Oklahoma Dept. of Transportation

MEMBERS ABSENT: Ed Lake, Director, Department of Human Services

GUESTS: Scott Reygers, OMES OCIA Administrator
Joe Birley, OMES OCIA
Andrew Messer, Treasurer's Office/State Bond Advisor
Kim Heaton, Attorney General's Office/OCIA
Jon Shirley, OAG Office
Alex Edwards, Treasurer's Office/SBA
Stuart England, Floyd Law Firm, P.C.
Jill Geiger, OMES OCIA
Ben Davis, OMES OCIA
Beverly Hicks, OMES OCIA
Trait Thompson, OMES
Shelley Zumwalt, OMES
Kathy Pendarvis, OMES
Joe M. Allbaugh, Executive Director of DOC
Marilyn Davidson, DOC
Marti Shew, Hilltop Securities
Shawn Ashley, ECapitol

1. Call to order and establish a quorum. [Chair]

Governor Fallin called the meeting to order at 10:12 a.m. A roll call was taken and a quorum established. Governor Fallin was advised that notice of the meeting had been given, and an agenda posted in accordance with the Open Meeting Act.

2. Approval of the March 8, 2018 Minutes. [Chair and Board]

Secretary Patterson moved to approve the March meeting minutes. Director Northrup seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Secretary Patterson, aye; Director Dutton, aye.

3. Discussion and possible action to appoint Denise Northrup as Secretary of OCIA, replacing Preston Doerflinger, pursuant to Okla. Stat. tit. 73, § 152.C.

Lt. Governor Lamb moved to approve. Treasurer Miller seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Director Patterson, aye; Director Dutton, aye.

4. Capitol Repair Bonds: Discussion and possible action to authorize OCIA staff, with the assistance of the State Bond Advisor, to prepare and distribute requests for proposals (“RFPs”) for services of financial advisor, bond counsel, underwriter(s), trustee/paying agent, disclosure counsel, printer and other necessary service providers; and to appoint and authorize a committee to evaluate proposals submitted for the purpose of making recommendations to the Authority for selection of professional service providers with respect to the proposed One Hundred Twenty-Five Million Dollar (\$125,000,000) bond issue to finance repairs to the State Capitol Building authorized by House Bill 3168, approved by the 2016 Legislature and enacted by the Governor. [Scott Reygers & Andrew Messer]

Director Reygers reported this is to authorize OCIA to issue requests for proposals relating to the Capitol Repair Bonds. OCIA staff expects to issue these bonds in two series, with the first series being Seventy Million Dollars (\$70,000,000) and the second series being Fifty-Five Million Dollars (\$55,000,000).

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

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Secretary Patterson, aye; Director Dutton, aye.

Assigned subcommittee: Director Denise Northrup, Secretary/Director Mike Patterson and Director Dick Dutton. Treasurer Ken Miller will serve as an alternate member of the subcommittee.

5. Department of Corrections Bonds: Discussion and possible action to authorize OCIA staff, with the assistance of the State Bond Advisor, to prepare and distribute requests for proposals (“RFPs”) for services of financial advisor, bond counsel, underwriter(s), trustee/paying agent, disclosure counsel, printer and other necessary service providers; and to appoint and authorize a committee to evaluate proposals submitted for the purpose of making recommendations to the Authority for selection of professional service providers with respect to the proposed One Hundred Sixteen Million Five Hundred Thousand Dollar

(\$116,500,000) bond issue to finance maintenance, repairs, equipment and improvements of existing correctional facilities for the Oklahoma Department of Corrections authorized by Senate Bill 1590, approved by the 2018 Legislature and enacted by the Governor. [Scott Reygers & Andrew Messer]

Director Reygers reported this item is similar to the prior agenda item and is to authorize OCIA to issue requests for proposals relating to the Department of Corrections Bonds. OCIA staff anticipates this bond issue to be bifurcated in two separate series issuances.

Secretary Patterson moved to approve and authorize as presented. Director Northrup seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Secretary Patterson, aye; Director Dutton, aye.

Assigned subcommittee: Director Denise Northrup, Secretary/Director Mike Patterson and Director Dick Dutton. Treasurer Ken Miller will serve as an alternate member of the subcommittee.

6. Discussion and possible action to approve a Declaration of Official Intent to Reimburse Capital Costs (reimbursement resolution) relating to the Oklahoma Department of Correction's request for reimbursement of expenses, and authorizing reimbursement of eligible expenses from the proceeds of the proposed \$116,500,000 Oklahoma Department of Corrections bond issue authorized Senate Bill 1590, approved by the 2018 Legislature and enacted by the Governor. [Scott Reygers & Andrew Messer]

Director Reygers reported the Department of Correction's request to be reimbursed for up to Two Million Dollars (\$2,000,000) of pre-construction planning activities, and to the extent of engineering and architectural services. The resolution permitted by the Internal Revenue Service (IRS), allows the Department of Corrections (DOC) to seek up to twenty percent (20%) of the total bond issuance for reimbursement. The Department is aware that should the bonds not be issued, the reimbursement funds will come out of the Department's appropriated funds.

Director Dutton moved to approve a Declaration of Official Intent as presented. Treasurer Miller seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Secretary Patterson, aye; Director Dutton, aye.

7. Native American Cultural and Educational Authority ("NACEA") Bonds: Discussion and possible action on a Resolution approving and authorizing the issuance of OCIA lease revenue bonds in a principal amount sufficient to generate net proceeds of Twenty-five Million Dollars (\$25,000,000) in project funds in one or more series on a federally taxable

basis (the “NACEA Bonds”), after providing for costs of issuance, credit enhancement, reserves, and other expenses related to the financing, to provide funding for improvements to real and personal property and for funding further construction, improvements, development and completion of the American Indian Cultural Center and Museum, to include personal property and exhibits, pursuant House Bill 2237, approved by the 2015 Legislature, as amended by Senate Bill 872, approved by the 2017 Legislature; approving the sale of the NACEA Bonds at negotiated sale; providing for a certificate of determination; specifying the terms and conditions of the NACEA Bonds; approving and authorizing new lease agreements as may be appropriate and necessary for the Native American Cultural and Educational Authority or its successor and to be leased thereto, or otherwise providing for the use and occupancy of the facilities and projects that will be funded with NACEA Bonds, and providing other terms and conditions in connection with the NACEA Bonds, approving and authorizing all documents relating to the NACEA Bonds including, but not limited to the (a) Preliminary Official Statement, (b) Official Statement, (c) Continuing Closure 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 OCIA officers to execute all such documents in connection therewith; authorizing payment of costs of issuance of the NACEA Bonds; and authorizing OCIA officers, staff and service providers to take necessary actions to structure, issue and deliver the NACEA Bonds. [Scott Reygers, Kim Heaton & Andrew Messer]

Director Reygers reported this as being the final step to issuing the NACEA bonds. This Resolution allows OCIA staff to go out, market the bonds, and sell them. Mr. Reygers provided the members with copies of two separate letters certifying that private funds have been deposited in a State account as required by the legislative authorization relating to the bond issue.

The letters provided were from Preston Doerflinger, former director of the Office of Management and Enterprise Services (OMES), certifying Twelve Million Dollars (\$12,000,000) has been deposited into the State account. A letter dated May 29, 2018 from Denise Northrup, current Director of OMES, certifying additional funds have been deposited into the State account as required by the legislative authorization for the bond issue.

Secretary Patterson moved to approve and authorize a Resolution as presented. Director Northrup seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Northrup, aye; Commissioner Kemp, aye; Secretary Patterson, aye; Director Dutton, aye.

8. Adjournment

There being no further business, Lt. Governor Lamb made the motion to adjourn. Director Northrup seconded the motion. Seeing no opposition, the meeting adjourned at 10:30 a.m.