

OKLAHOMA CAPITOL IMPROVEMENT AUTHORITY
Minutes

Special Meeting
Wednesday, April 21, 2010
2:00 p.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: Brad Henry, Governor
Jari Askins, Lieutenant Governor
Scott Meacham, State Treasurer
John Richard, Director, Department of Central Services
Gary Ridley, Director, Department of Transportation
Howard Hendrick, Executive Director, Human Services
Hardy Watkins, Department of Tourism
Connie Irby, Commissioner, Oklahoma Tax Commission

GUESTS: Randy Ross, Department of Central Services
Kim Heaton, Department of Central Services
Brenda DeShazo, Department of Central Services
Madison Blair, Department of Central Services
Tim Martin, State Bond Advisor's office
Lynn Rogers, Attorney General's office
David Kinney, Attorney General's office
Jerry Fent, Attorney

Agenda Item 1 - Call to Order

Governor Henry called the meeting to order at 2:35 p.m. A roll call was taken and a quorum was established. The Governor was advised that Notice of the meeting had been given, and an Agenda posted in accordance with the Open Meeting Act.

Agenda Item 2 - Approval of Minutes

Lt. Governor Askins moved approval of the Minutes of the December 22, 2009 meeting. Mr. Richard seconded the motion and it carried with the following votes: Lt. Governor Askins, yes; Mr. Meacham, yes; Ms. Irby, yes; Mr. Hendrick, yes; Mr. Richard, yes; Mr. Ridley, yes; Mr. Watkins, yes; and Governor Henry, yes.

Agenda Item 3 – Receive a report and recommendations from the screening committee; discussion and possible action authorizing selection of service providers for a bond issue of approximately \$2.6 million for the School of Science and Mathematics authorized by 73 O.S. §168.3, and other related action deemed necessary by the Board, including preparation of draft documents, subject to final approval of the Board at a subsequent meeting, and, if determined by the Chairman to be reasonable necessary to economically market bonds, filing an original action validation suit at the State Supreme Court.

Ms. Heaton stated that the recommendation of the screening committee for service providers to the School of Science and Mathematics for the \$2.6 million bond or note issuance is Public Finance Law Group to be employed as Bond Counsel, Image Master to be employed as printer as the bid required, BOSC, Inc., to be employed as underwriter as or if determined by the Chairman to be reasonably necessary to place the bonds or notes at a reasonable rate not to exceed an average interest rate of 6.5% per annum and with maturity not to exceed twenty (20) years. Ms. Heaton said the staff and selection committee came to a consensus that the staff and service provider should be authorized to contact the plurality of the state area banks and make efforts for private placement to place bonds or notes on terms acceptable to the chairman and that the chairman be authorized to determine if a validation is necessary to achieve sale or placement of the obligation on economically feasible terms and if so that the staff and service providers be authorized to bring such a legal action prior to delivery of the bonds and the note.

Mr. Richard moved that the recommendations of the screening committee for service providers regarding the approximately \$2.6 million bond or note issue for the School of Science and Mathematics authorized at 73 O.S. §168.3 be adopted, and Public Finance Law Group be employed as bond counsel, Image Master be employed as printer, as or if required, and BOSC, Inc. be employed as placement agent or underwriter, as or if determined by the Chairman to be reasonably necessary to place the bonds or notes at a reasonable rate, not to exceed an average interest rate of 6.5% per annum and with a maturity not to exceed 20 years. Staff and service providers are authorized to contact a plurality of state and area banks and make efforts to place the bonds or notes on terms acceptable to the Chairman, and the Chairman is also authorized to determine if a validation action is reasonably necessary to achieve sale or placement of the obligations on economically feasible terms, and if so, staff and service providers are authorized to bring such a legal action prior to delivery of the bonds or notes. Mr. Hendrick seconded the motion and it carried with the following votes: Lt. Governor Askins, yes; Mr. Meacham, yes; Ms. Irby, yes; Mr. Hendrick, yes; Mr. Richard, yes; Mr. Ridley, yes; Mr. Watkins, yes; and Governor Henry, yes.

Agenda Item 4 - Discussion and possible action to authorize issuance of “new money” OCIA bonds to provide an additional amount for deposit into a special higher education endowed chairs fund in a principal sum not to exceed \$100 millions, and also authorize advance refunding of all or a portion of the outstanding OCIA Series 2006 Higher Education Endowed Chairs Bonds, all in accordance with H.B. 3031 of the 2010 Oklahoma Legislature, and further authorize employment of the same financing team that structured the 2006 issue for this financing, and authorize said service providers and staff to proceed with drafting of documents and to take other necessary actions to allow OCIA to proceed as expeditiously as possible, subject to final approval of the Board at a subsequent meeting.

Mr. Rogers recommended using the same financing team that structured the 2006 issue for this financing.

Mr. Meacham moved the resolution presented to the Board be approved, authorizing an issuance of taxable refunding and new money bonds for the Regents of Higher Education Endowed Chairs Program in an aggregate amount not to exceed \$150 million, at an interest rate not to exceed 6.5% per annum, and a maturity not to exceed 20 years, on such terms as are acceptable to the Chairman evidenced by a Certificate of Determination, and the officers of the Authority are authorized to do all things reasonably necessary to effect the sale, issuance and delivery of the Bonds. Further, the service providers previously selected on September 24, 2008 for the approximately \$100 million “new money” issue, namely Public Finance Law Group, Financial Printing Resource, and BOSC, Inc., (manager) are hereby designated and employed as providers for the Series 2006 refunding on terms acceptable to the Chairman. Mr. Richard seconded the motion and it carried with the following votes: : Lt. Governor Askins, yes; Mr. Meacham, yes; Ms. Irby, yes; Mr. Hendrick, yes; Mr. Richard, yes; Mr. Ridley, yes; Mr. Watkins, yes; and Governor Henry, yes.

Agenda Item 5 - Discussion and possible action to authorize in concept an advance refunding of the outstanding OCIA Series 2005F (Higher Educational Facilities) Bonds for the purpose of debt service restructuring; naming a screening committee and authorizing preparation and distribution of requests for proposals for needed service providers, requiring the selection committee to proceed as expeditiously as possible, so as to allow final approval of these providers by the Board at a subsequent meeting; and expressing the sense of the Board that other advance refundings of outstanding OCIA bond issues within the next year as determined appropriate by the Board should utilize the same financing team.

Mr. Martin requested approval to authorize in concept an advance refunding of the outstanding OCIA Series 2005F (Higher Educational Facilities) Bonds for the purpose of debt service restructuring; naming a screening committee and authorizing preparation and distribution of requests for proposals for needed service providers, requiring the selection committee to proceed as expeditiously as possible, so as to allow final approval of these providers by the Board at a subsequent meeting; and expressing the sense of the Board that other advance

refundings of outstanding OCIA bond issues within the next year as determined appropriate by the Board should utilize the same financing team.

Mr. Meacham moved to authorize, in concept, the advance refunding of all or part of the Authority's outstanding Series 2005F Higher Education Bonds, and/or other outstanding OCIA bonds, so as to provide cash flow relief for the fiscal years 2011 and 2012, provided the final maturity of the bonds will not extend past the maturity of the 2005F Bonds or other OCIA bonds, as applicable. Further, staff is hereby authorized to prepare and distribute a request for proposals to qualified service providers with the screening committee utilized on prior OCI A bond issues to review proposals and make recommendations subject to review and possible approval of this Board at a future meeting. Mr. Hendrick seconded the motion and it carried with the following votes: : Lt. Governor Askins, yes; Mr. Meacham, yes; Ms. Irby, yes; Mr. Hendrick, yes; Mr. Richard, yes; Mr. Ridley, yes; Mr. Watkins, yes; and Governor Henry, yes.

Adjournment

There being no further business the meeting adjourned at 3:00 p.m.