

OKLAHOMA CAPITOL IMPROVEMENT AUTHORITY
Minutes

Monday, September 24, 2012
9:00 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 Lieutenant Governor
Preston Doerflinger, Secretary, Finance and Revenue
Carol McFarland, Interim Director, Office of State Finance
Gary Ridley, Director, Department of Transportation
Deby Snodgrass, Director, Tourism and Recreation

GUESTS: Kimberlee Williams, OMES, Division of Capital Assets Management
Tim Tuck, OMES, Division of Capital Assets Management
Travis Monroe, OMES, OCIA Administrator
Beverly Hicks, OMES, Division of Capital Assets Management
David Kinney, AG's Office
Jim Joseph, State Bond Advisor's Office
Alex Edwards, State Bond Advisor's Office
Keith Beall, Lt. Governor's Office
Christie Southern, eCapitol
Shaun Ashley, eCapitol

Agenda Item 1 - Call to Order

Governor Fallin called the meeting to order at 9:00 a.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

Secretary Doerflinger moved to approve the minutes of the meeting held June 25, 2012. Director Ridley seconded the motion. The following votes were recorded: Governor Fallin, aye; Lt. Governor Lamb, aye; Secretary Doerflinger, yes; Director McFarland, yes; Director Ridley, aye; Director Snodgrass, aye. Minutes were unanimously approved.

Agenda Item 3 – Discussion and possible action to direct staff to convert the outstanding Series 2006D Variable Rate Demand Obligation bonds with a long-term fixed-rate mode.
[Travis Monroe]

Mr. Monroe presented three options for the 2006D bonds: 1) Stay with the current mode of variable rate and the provider; 2) convert them to a fixed rate; or 3) stay with the current mode of variable rate and change providers.

The committee recommendation is to stay with the current mode of variable rate, but to select a financing team to convert to fixed rate at a later time when appropriate and approved by the board.

Seeing as there was no action to be taken at this time, the board moved on to the next agenda item.

Agenda Item 4- Discussion and possible action to replace the liquidity service provider for the 2006D Variable Rate Demand Obligations bond series. [Travis Monroe]

Mr. Monroe related that due to a downgrade in the Bank of America's ratings, the OCIA has the option to terminate our existing liquidity provider contract and change providers. Bids were sent out to liquidity services and four responses were received.

The selection committee reported that U.S. Bank Corp submitted the best proposal. However, staff was of the opinion that changing providers to U.S. Bank Corp at this time didn't result in significant savings.

Seeing as there was no action to be taken at this time, the board moved on to the next agenda item.

Agenda Item 5- Discussion and possible action to select a pool of underwriters to refund the issuances identified in the OCIA request for proposals designated UW-2012. [Travis Monroe]

Mr. Monroe shared that requests for proposals for underwriting services were circulated to forty firms and that there were seventeen responses. The committee recommended the selection of a pool of firms from which teams could be chosen to fit individual transaction requirements. The senior-manager pool would include four firms: Citi, Morgan Stanley, BOSC Inc., and Goldman Sachs. The co-manager pool would include Baird and Wells Nelson.

Director Ridley moved to approve the above listed selection of underwriters for refunding issuances. Lt. Governor Lamb seconded the motion. The following votes were recorded: Governor Fallin, aye; Lt. Governor Lamb, aye; Secretary Doerflinger, yes; Director McFarland, yes; Director Ridley, yes; Director Snodgrass, yes. Motion was unanimously approved.

Director Ridley made a motion to approve a second related item. The proposal was that at such a time when the committee agrees to convert the 2006D Variable Rate Demand Obligations bond series to a fixed rate mode, that the underwriting team be selected from the above approved pool.

Lt. Governor Lamb seconded the motion. The following votes were recorded: Governor Fallin, aye; Lt. Governor Lamb, aye; Secretary Doerflinger, yes; Director McFarland, yes; Director Ridley, aye; Director Snodgrass, aye. Motion was unanimously approved.

Agenda Item 6- Discussion and possible action to select a bond counsel for refinancing issuances and conversion of the series 2006D Variable Rate Demand Obligation. [Travis Monroe]

Mr. Monroe stated that there are two potential proposals for bond counsel, thus two potential motions to discuss: 1) selection of a firm as bond counsel for the different refunding issues, and 2) use of the same firm as bond counsel for the 2006D Variable Rate Demand Obligations bond series conversion to fixed rate should that happen.

The selection committee recommended the Floyd Law Firm of Norman, Oklahoma.

Director Ridley moved to approve the Floyd Law Firm as bond counsel for the refunding issues identified in the OCIA request for bond council proposal designated BC 2012. Director Snodgrass seconded the motion. The following votes were recorded: Governor Fallin, aye; Lt. Governor Lamb, aye; Secretary Doerflinger, yes; Director McFarland, aye; Director Ridley, aye; Director Snodgrass, aye. Motion was unanimously approved.

Director Ridley made a motion to approve selection of the Floyd Law Firm as bond counsel for the conversion of the 2006D Variable Rate Demand Obligations bond series to fixed rate, long-term bonds when authorized by the board.

Director Snodgrass seconded the motion. The following votes were recorded: Governor Fallin, aye; Lt. Governor Lamb, aye; Secretary Doerflinger, yes; Director McFarland, yes; Director Ridley, aye; Director Snodgrass, aye. Motion was unanimously approved.

Agenda Item 7- Update on OCIA Series 2012A (River Parks Authority Projects) [David Kinney]

Mr. Kinney related that there will be a hearing on September 26th with a Supreme Court Referee concerning the requested validation of the proposed bond issue. He told the board that there are two parties in opposition to the issuance of the bond, and that he will keep the board advised of actions taken.

Adjournment

There being no further business, Lt. Governor Lamb made the motion to adjourn. Motion was seconded by Director Ridley. Seeing no opposition, the meeting adjourned at 9:25 a.m.