

**OKLAHOMA CAPITOL IMPROVEMENT AUTHORITY
Special Meeting Minutes
January 17, 2018
3:00 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: Mary Fallin, Governor
Todd Lamb, Lt. Governor
Ken Miller, State Treasurer
Denise Northrup, Interim Director, OMES
Dick Dutton, Director, Tourism and Recreation
Ed Lake, Director, Department of Human Services
Mike Patterson, Director, Oklahoma Dept. of Transportation

MEMBERS ABSENT: Thomas Kemp, Secretary-Member, Oklahoma Tax Commission

GUESTS: Angela Pierce, OCIA Administrator
Joe Birley, OCIA
Andrew Messer, State Bond Advisor
Kim Heaton, Attorney General's Office
Beverly Hicks, OMES
Rachel Holt, OJA
Kevin Clagg, OJA
Mike Gibson, RSM

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

Governor Fallin called the meeting to order at 3:01 p.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 July 10, 2017 Minutes. [Chair and Board]

Treasurer Miller moved to approve the July meeting minutes. Secretary Patterson seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Lake, aye; Interim Director Northrup, abstain; Secretary Patterson, aye; Director Dutton, aye.

3. Discussion and possible action on FY 2017 Audit report from RSM. [Angela Pierce]

Ms. Pierce reported that the audit was completed by the statutory deadline of Oct. 31, 2017. The external auditors of RSM determined the financial statements given materially represent the financial position of the Authority as an unqualified opinion meeting the general accepted accounting principles that govern audit requirements.

Ms. Pierce introduced Mike Gibson, RSM audit partner, to Authority members. Mr. Gibson spoke greatly of the staffs' preparedness and it being a good, unblemished audit without any issues.

Treasurer Miller moved to accept the FY 2017 report from RSM. Interim Director Northrup seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Lake, aye; Interim Director Northrup, aye; Secretary Patterson, aye; Director Dutton, aye.

4. Discussion and possible action to authorize OCIA staff, with the assistance of the Oklahoma State Bond Advisor, to prepare and distribute requests for proposals ("RFPs") for the service of financial advisor and to appoint and authorize a committee for the purpose of making a recommendation to the Authority for selection of financial advisor for the proposed bond issuance, for the State Health Laboratory for the Oklahoma State Department of Health (\$58,555,000), for the proposed bond issuance, for the American Indian Cultural Center and Museum (\$15,000,000), and for the proposed bond issuance, for the Oklahoma Department of Tourism and Recreation offices (\$9,000,000). [Angela Pierce & Andrew Messer]

Ms. Pierce spoke on the importance of a financial advisors role in assisting the Authority to help determine a method of sale, assist with the Request for Proposals (RFP) process, rating agency presentations at meetings and assisting with the overall process of issuing bonds. The RFP will require a flat-capped fee. The subcommittee selected in the meeting today will come back later with a recommendation for actions before the Authority.

Assigned subcommittee: Director Patterson, Director Dutton and Interim Director Northrup.

On the grounds of being a potential conflict of interest with his agency, Director Dutton recused himself.

Interim Director Northrup moved to approve the authorization for the RFP. Secretary Patterson seconded the motion. The motion passed and the following votes recorded:

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Lake, aye; Director Northrup, aye; Secretary Patterson, aye; Director Dutton, recused.

- 5. Discussion and possible action to authorize OCIA staff, with the assistance of the Oklahoma State Bond Advisor, to prepare and distribute requests for proposals (“RFPs”) for services of financial advisor, bond counsel, underwriter(s), trustee/paying agent, printer and to appoint and authorize a committee for the purpose of making a recommendation to the authority for selection of financial advisor, bond counsel, underwriter(s), trustee/paying agent, and printer for the proposed bond issuance, to be issued in one or more series, for an aggregate amount sufficient to generate net proceeds of Forty-Five Million dollars (\$45,000,000) as authorized by House Bill 2387 to plan, develop and construct campus modifications to the residential center in Tecumseh for the Oklahoma Office of Juvenile Affairs, approved by the 2017 Legislature and enacted by the Governor. [Angela Pierce & Andrew Messer]**

Ms. Pierce reported the Board of Juvenile Affairs approved the Oklahoma Capitol Improvement Authority (OCIA) as the financier of their new project. A memo supporting the selection of OCIA was distributed to Authority members prior to the meeting. The Office of Juvenile Affairs (OJA) is preparing to consolidate three residential campuses into one facility in Tecumseh, OK. The agency has demonstrated prudence in looking for efficiencies and better ways to serve Oklahomans resulting in savings. Their intent is to utilize the savings they have accumulated for their debt service payments. A budget increase will not be needed in order for them to move forward in completing the project. This allows for them to better feed, educate and house Oklahoma juveniles that require live-in residential care.

Assigned subcommittee: Director Dutton, Interim Director Northrup and Treasurer Miller.

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

Governor Fallin, aye; Lt. Governor Lamb, aye; Treasurer Miller, aye; Director Lake, aye; Interim Director Northrup, aye; Secretary Patterson, aye; Director Dutton, aye.

6. Adjournment

There being no further business, Secretary Patterson made the motion to adjourn. Treasurer Miller seconded the motion. Seeing no opposition, the meeting adjourned at 3:11 p.m.