

**KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION**  
**MINUTES**  
**MARCH 15, 2010**

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) was called to order on Monday, March 15, 2010 at 2:00 p.m. in Room 182 of the Capitol Annex by Lori Flanery, Deputy Secretary, Finance and Administration Cabinet as proxy for Jonathan Miller, Secretary, Finance and Administration Cabinet. Other members present were Edmund Sauer, proxy for Governor Steven Beshear, Bill Burger, proxy for Lt. Governor Mongiardo, Edgar C. Ross, Executive Director, Office of the Controller, Finance and Administration Cabinet, Mary Lassiter, State Budget Director, Katie Smith, proxy for Larry Hayes, Secretary, Cabinet for Economic Development, and Bonnie Howell, proxy for Attorney General Jack Conway.

OFM Staff Members Present: Mr. Tom Howard, Executive Director and Secretary to the Commission, Robin Brewer, Rob Ramsey, Tom Midkiff, Rachael Dever and Marcia Adams.

Other Guests Present: Shannon Morgan, Deputy Secretary, Finance and Administration Cabinet, Ryan Green, and Carla Wright from the Office of the State Budget Director (OSBD), and Kristi Culpepper from the Legislative Research Commission (LRC).

Deputy Secretary Flanery verified with staff that a quorum was present and that the press had been notified of the meeting.

A motion was made by Mr. Ed Ross and seconded by Mr. Bill Burger to approve the previous meeting minutes. Motion **CARRIED** and the minutes of the February 15, 2010 meeting were approved as written.

Deputy Secretary Flanery introduced Resolution **2010-09**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY AUTHORIZING AND RATIFYING ACTIONS OF THE COMMISSION STAFF IN THE STRUCTURING, STAFFING, PLANNING AND PREPARATION OF ALL DOCUMENTATION FOR THE ISSUANCE OF CERTAIN REVENUE BONDS OF THE COMMISSION; AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF FINANCING A PROJECT; SETTING FORTH THE TERMS AND CONDITIONS UPON WHICH SAID REVENUE BONDS ARE TO BE ISSUED AND PROVIDING FOR A NEGOTIATED SALE THEREOF; AUTHORIZING AND RATIFYING THE ACTION OF THE STAFF IN PREPARING AND PUBLISHING A PRELIMINARY OFFICIAL STATEMENT FOR THE BONDS; RECITING, ACKNOWLEDGING AND APPROVING THE FILING OF AN APPLICATION BY THE FINANCE AND ADMINISTRATION CABINET OF THE COMMONWEALTH OF KENTUCKY FOR REVENUE BONDS TO FINANCE A PROJECT PURSUANT TO SECTION 56.450 OF THE KENTUCKY REVISED STATUTES; AUTHORIZING THE LEASE OF THE PROJECT TO SUCH CABINET AND THE DEPARTMENT OF MILITARY AFFAIRS TO PROVIDE REVENUES FOR THE AMORTIZATION OF THE BONDS; DEFINING AND PROVIDING FOR THE RIGHTS OF THE OWNERS OF THE BONDS AND PROVIDING FOR THE APPLICATION OF THE PROCEEDS THEREOF.**

Ms. Robin Brewer stated that Resolution 2010-09 is to approve the State Property and Buildings Commission Taxable Agency Fund Revenue Bonds, Project No. 97 in a not-to-exceed amount of \$6,000,000. The Commission plans to issued fixed-rate bonds on a taxable basis to provide new money for a \$4,000,000 agency fund capital project for the Department of Military Affairs for the construction of a hangar at Bluegrass Station in Lexington, Kentucky. The project was authorized in House Bill 302 of the current 2010 Session of the General Assembly. The estimated sale date is April 14, 2010 with an anticipated closing of April 28, 2010. The estimated All-in-True Interest Cost is 5.68% with final maturity of June 1, 2030. It will be presented to Capital Projects and Bond Oversight (CPBO) on March 19, 2010. Bond Counsel is Peck, Shaffer & Williams LLP; the Underwriter is Morgan Keegan; the Underwriter's Counsel is Rubin & Hays; and the Trustee is the Bank of New York Mellon. Staff recommends approval.

Ms. Katie Smith made a motion to approve Resolution **2010-09** that was seconded by Ms. Bonnie Howell. Motion **CARRIED**, and Resolution **2010-09** was **ADOPTED**.

Deputy Secretary Flanery introduced Resolution **2010-10**:

**RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION  
OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE  
OF KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
INDUSTRIAL BUILDING REVENUE NOTE, SERIES 2010 (GOODWILL  
INDUSTRIES OF KENTUCKY, INC. PROJECT) IN THE PRINCIPAL  
AMOUNT OF \$28,000,000**

Ms. Katie Smith stated that Kentucky Economic Development Finance Authority (KEDFA) is requesting approval of a proposed bond resolution pertaining to KEDFA's issuance of revenue bonds in an amount not to exceed \$28,000,000 on behalf of Goodwill Industries of Kentucky, Inc. A portion of the bond proceeds will be used to refund all of the outstanding KEDFA Industrial Building Revenue Bonds Series 2003 and the remaining proceeds will be used to finance cost of relocating and expanding its corporate offices, relocating and expanding its district offices, relocating and expanding its existing donation centers, and establishing new donation centers at various locations within the Commonwealth of Kentucky. The counties that will be impacted by these various projects will be Bourbon, Christian, McCracken, Adair, Warren, Pulaski, Fayette, Franklin, Knox, and Jefferson. Resolutions have been adopted by all communities impacted requesting KEDFA issue the bonds. A separate TEFRA hearing was conducted and there were no public comments. KEDFA is a conduit financier in the transaction and will not have a general obligation or be held liable for the bonds. KEDFA did approve a resolution on February 25, 2010. Staff recommends approval.

Mr. Burger asked if the headquarters were located in Jefferson County. Ms. Smith answered affirmatively. Ms. Lassiter asked how much of the proceeds were for refinancing versus new money. Ms. Smith responded that \$7.8 million was for the refunding.

Mr. Burger made a motion to approve Resolution **2010-10** that was seconded by Mr. Ross. Motion **CARRIED**, and Resolution **2010-10** was **ADOPTED**.

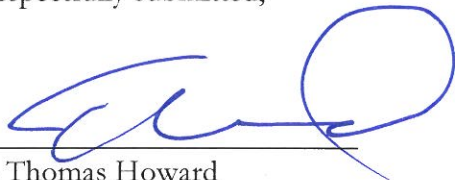
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Deputy Secretary Flanery asked if there was any other business. With no other business, Mr. Burger made a motion to adjourn that was seconded by Ms. Smith.

Respectfully submitted,



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F. Thomas Howard  
Secretary