

**KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION**  
**MINUTES**  
**OCTOBER 14, 2020**  
**11:30 AM**

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Wednesday, October 14, 2020, at 11:32 AM ET via ZOOM video teleconference by J. Michael Brown, Secretary of the Governor’s Executive Cabinet, permanent proxy for Governor Andy Beshear, and Chair of the Commission. Other members present were Geri Grigsby, proxy for Holly M. Johnson, Secretary of the Finance and Administration Cabinet (“FAC”) and Executive Director to the Commission; Beth Roark, permanent proxy for Lieutenant Governor and Vice-Chair to the Commission Jacqueline Coleman; Chris Lewis, permanent proxy for Attorney General Daniel Cameron; Edgar C. Ross, State Controller and Executive Director, Office of the Controller; John T. Hicks, State Budget Director, Office of the State Budget Director (“OSBD”); and Katie Smith, proxy for Larry Hayes, Interim Secretary for the Cabinet for Economic Development (“CED”).

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Commission; Sandy Williams, Deputy Executive Director; Billy Aldridge, Bethany Couch, Steve Starkweather and Jennifer Yount.

Other Guests Present: Julia Wang, Legislative Research Commission (“LRC”); Carla Wright, OSBD; and Kara Smothermon OSBD.

Secretary Brown verified with staff a quorum was present, and the press had been notified of the meeting.

Secretary Brown introduced the first item for business, which was the approval of the minutes from September 15, 2020, meeting. A motion to accept the minutes of the September 15, 2020, meeting was made by Mr. Ross and seconded by Mr. Lewis. There being no further discussion, the motion **CARRIED**.

Secretary Brown recognized Steve Starkweather to present **Resolution 2020-24**:

**RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE OF KENTUCKY ASSET/LIABILITY COMMISSION PROJECT NOTES, 2020 FEDERAL HIGHWAY TRUST FUND FIRST REFUNDING SERIES A IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$191,000,000 FOR THE PURPOSE OF PROVIDING FINANCING FOR THE CURRENT AND ADVANCE REFUNDING OF CERTAIN FEDERAL HIGHWAY TRUST FUND FIRST SERIES NOTES PREVIOUSLY ISSUED BY THE KENTUCKY ASSET/LIABILITY COMMISSION.**

Mr. Starkweather gave a brief overview of GARVEEs then presented Resolution 2020-24 a request to authorize the issuance, sale, and delivery of Kentucky Asset/Liability Commission Project Notes, 2020 Federal Highway Trust Fund First Refunding Series A, in a principal amount not to exceed \$191 million. While the resolution includes an advance refunding component, that funding mechanism is not currently authorized by Congress. The most likely sale amount will be a \$58.945 million issuance generating a net present value savings of approximately \$3 million or about 5%. The proceeds will be used to refund the Kentucky Asset/Liability Commission 2010 Series A ALCo GARVEEs. The estimated all-in true interest cost is 0.9%. This is a negotiated sale scheduled for November 17, 2020. Bond counsel is Kutak Rock LLP, the underwriter is Citi Bank, and the underwriter's counsel is Dinsmore & Shohl LLP. This was included in the OFM October submittal to Capital Projects and Oversight Committee scheduled to meet on Wednesday, October 21, 2020. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-24. Director Hicks made a motion and was seconded by Mr. Ross. The motion **CARRIED** and Resolution 2020-24 was **ADOPTED**.

Secretary Brown recognized Ms. Smith to present **Resolution 2020-25**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE APPLICATION OF THE SECRETARY OF THE CABINET FOR ECONOMIC DEVELOPMENT TO IDENTIFY AND SPECIFY CERTAIN ECONOMIC DEVELOPMENT PROJECTS TO BE FINANCED FROM THE PROCEEDS OF ECONOMIC DEVELOPMENT REVENUE BONDS TO BE ISSUED BY THE COMMISSION TO MAKE A GRANT TO THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT FOR THE BENEFIT OF UNIVERSITY OF KENTUCKY COLDSTREAM RESEARCH CAMPUS FOR \$500,000.**

Ms. Smith presented Resolution 2020-25 for the approval to issue Economic Development Revenue Bonds to make a grant in the amount of \$500,000 to Lexington-Fayette Urban County Government on behalf of the University of Kentucky Coldstream Research Campus. Lexington-Fayette Urban County Government in partnership with the University of Kentucky Coldstream Research Campus is seeking to upfit 10,000 square feet of laboratory space with the vertical construction expenditures serving as the match. The proposed Economic Development Fund ("EDF") grant funds will be used to offset the capital investment costs associated with the project. Under the terms of the EDF grant agreement, disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of the disbursements will be based on the performance requirements achieved. KEDFA approved the project at its meeting on September 24, 2020. This was included in the OFM October submittal to Capital Projects and Oversight Committee scheduled to meet on Wednesday, October 21, 2020. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-25. Mr. Ross made a motion and was seconded by Ms. Grigsby. The motion **CARRIED** and Resolution 2020-25 was **ADOPTED**.

With no further business before the Commission, Secretary Brown asked for a motion to adjourn. All members made a motion and the meeting adjourned at 11:40 AM.

Respectfully submitted,



Ryan Barrow  
Secretary

