

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
AUGUST 11, 2015

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Tuesday, August 11, 2015 at 12:30 p.m. ET in Room 182 of the Capitol Annex by Mr. Edgar C Ross, proxy for Secretary Lori Flanery, Finance and Administration Cabinet (“FAC”) and Executive Director to the Commission. Other members present were Will Adams, proxy for Governor Steven Beshear; Katie Smith, proxy for Larry Hayes, Secretary, Cabinet for Economic Development (“CED”); Liles Taylor, proxy for Lt. Governor Crit Luallen; and Fran Pinkston, proxy for Attorney General Jack Conway.

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, John Brady, Liz Columbia, Denise Pitts, Steve Starkweather and Tammy McCall.

Other Guests Present: Katherine Halloran, Legislative Research Commission; Carole Henderson, Budget Director, Administrative Office of the Courts; and Charles Byers, Chief Information Officer, Administrative Office of the Courts.

Mr. Ross verified with staff that a quorum was present and that the press had been notified of the meeting.

A motion was made by Ms. Katie Smith and seconded by Mr. Will Adams to approve the previous meeting minutes. Motion **CARRIED** and the minutes of the July 2, 2015 meeting were **APPROVED**.

Mr. Ross acknowledged Ms. Liz Columbia for her introduction of Resolution 2015-17:

RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF FINANCING A PROJECT AND REFUNDING CERTAIN INTERIM FINANCING RELATED THERETO; 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 ACTIONS OF THE COMMISSION STAFF IN THE STRUCTURING, PLANNING AND PREPARATION OF ALL DOCUMENTATION FOR THE ISSUANCE OF SAID BONDS AND IN PREPARING AND PUBLISHING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT FOR THE BONDS; RECITING, ACKNOWLEDGING AND APPROVING THE FILING OF AN APPLICATION BY THE ADMINISTRATIVE OFFICE OF THE COURTS OF THE COMMONWEALTH OF KENTUCKY FOR REVENUE BONDS TO

FINANCE THE PROJECT AND REFUND THE INTERIM FINANCING PURSUANT TO SECTION 56.450 OF THE KENTUCKY REVISED STATUTES; APPROVING A LEASE OF THE PROJECT TO THE ADMINISTRATIVE OFFICE OF THE COURTS 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. Columbia stated Resolution 2015-17 was a bond issuance for the Judicial Branch Agency Fund Revenue Bonds, Project 109 in an amount not to exceed \$30,000,000. This issuance will provide permanent financing for the Administrative Office of the Court's Phase I E-Case and Docket Management system as authorized in HB 238, signed by the Governor March 22, 2013, and reauthorized during the 2014 budget session. Proceeds will be used for the cost of the project, to refund certain interim financing, and for the costs of issuing the bonds. Upon favorable consideration of the Commission, the project will be presented to the Capital Projects and Bond Oversight Committee on August 18, 2015. This will be a tax-exempt negotiated sale, scheduled September 8, 2015, and executed by Hilliard Lyons. The bond counsel is Dinsmore and Shohl. Ms. Columbia stated the bonds would have an 8-year financing with a final maturity date of October 2, 2023, and an estimated TIC of 2.2253%. Staff recommended approval.

Mr. Ross called for a motion to approve Resolution **2015-17**. Ms. Katie Smith made a motion, and was seconded by Ms. Fran Pinkston. There being no discussion, the motion **CARRIED** and Resolution **2015-17** was **ADOPTED**.

Ms. Katie Smith introduced Resolution **2015-18**:

RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE BY THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY OF ITS HOSPITAL REVENUE REFUNDING BONDS, SERIES 2015A (BAPTIST HEALTHCARE SYSTEM OBLIGATED GROUP) IN A PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000.

Ms. Smith stated the Cabinet for Economic Development was requesting approval of Resolution 2015-18 for authorization to issue KEDFA Hospital Revenue Refunding Bonds Series 2015A in an amount not to exceed \$20,000,000 on behalf of Baptist Healthcare System Obligated Group. The bond proceeds will be used to refund the City of Madisonville, Kentucky, Variable Rate Demand Hospital Revenue Bonds, Series 2010, which were used to fund the Baptist Health Madisonville Project. A public hearing was conducted on the morning of July 30, 2015, and no public comments were received. KEDFA approved the project on July 30, 2015. Staff recommended approval.

Mr. Ross called for a motion to approve. Mr. Liles Taylor made a motion to approve Resolution **2015-18**, and was seconded by Mr. Will Adams. There being no discussion, the motion **CARRIED** and Resolution **2015-18** was **ADOPTED**.

With no further business before the Commission, Mr. Ross called for a motion to adjourn. A motion was made by Ms. Katie Smith. The meeting stands adjourned.

Respectfully submitted,



Ryan Barrow
Secretary