

BOARD OF PUBLIC BUILDINGS
MINUTES OF MEETING

May 28, 2014

Pursuant to public notice previously provided by the Office of Administration, Governor Nixon called the meeting to order at 10:00 AM. Call of roll indicated that the following members of the Board were present.

Governor Jay Nixon – Chairman
Lieutenant Governor Peter Kinder – Secretary – Via Conference Call
Attorney General Chris Koster – Member

A waiver and consent to hold this meeting was circulated for signature.

Governor Nixon asked for approval of the October 2, 2013, meeting minutes. Attorney General Koster moved for the adoption of the minutes. Governor Nixon seconded the motion. Motion carried by unanimous vote.

Governor Nixon stated that the first item on the agenda was an executive summary which discusses a refunding opportunity. Governor Nixon asked Stacy Neal to brief the Board. Stacy explained that as part of staffing the Board, the Office of Administration looks for refunding opportunities to save taxpayers money. Anytime opportunities meet a 5% savings threshold, they are brought before the Board. This year there is a proposed advance refunding of a portion of the A 2006 bonds that were issued to build the Chillicothe prison. The projected savings of this opportunity is currently 8.6% present value savings and just under \$12 million over the life of the bonds. If the Board approves this refunding opportunity the debt would be paid off 1.5 years early.

The Office of Administration (OA) requested permission to utilize existing contracts with financial advisor, Columbia Capital, and bond counsel, Gilmore & Bell, to pursue this opportunity. OA requested permission to utilize Gilmore & Bell as disclosure counsel due to significant changes in the municipal market in the past 90 days. Stacy Neal explained that there is now much greater emphasis on disclosure, due to SEC scrutiny, and our professionals are strongly encouraging disclosure counsel on this transaction and future transactions. The sale is expected in July. Attorney General Koster asked for more information on the role of disclosure counsel, including whether it would be more beneficial to have two separate companies to serve as bond counsel and disclosure counsel on future transactions. Stacy and Commissioner Nelson explained disclosure counsel assists in ensuring all disclosures are made accurately and there are not any material errors or omissions. Commissioner Nelson agreed to provide additional information in the future including whether two firms would be beneficial. Attorney General Koster stated he did not oppose utilizing Gilmore & Bell as disclosure counsel for this transaction.

Attorney General Koster moved to approve the refunding opportunity. Governor Nixon seconded the motion. Motion was carried by the vote:

Governor Nixon	YEA
Lieutenant Governor Kinder	ABSENT
Attorney General Koster	YEA

Governor Nixon stated that the next item on the agenda was the authorization to use certain Board funds. Governor Nixon asked Stacy Neal to brief the Board. Stacy explained that the Series B 2001 Refunding bonds created the Depreciation, Replacement and Operating Reserve Fund with a \$1 million minimum balance. Those bonds were paid off on December 1, 2012; therefore, the fund is no longer required. A resolution was passed on July 23, 2013, that directed OA to use the balance of approximately \$1,012,050 for maintenance and repairs of Board buildings. The new resolution expands the use of the funds to include the purchase of land. An example of a land purchase that would be considered is the purchase of land for additional parking near a state office building.

Attorney General Koster moved to approve the resolution. Governor Nixon seconded the motion. Motion was carried by the vote:

Governor Nixon	YEA
Lieutenant Governor Kinder	ABSENT
Attorney General Koster	YEA

Governor Nixon stated that the next item on the agenda was for delegation of authority. Governor Nixon asked Stacy Neal to brief the Board. Stacy explained that on July 23, 2013, the Board granted a limited delegation to the Commissioner of Administration related to the display of antique firearms on the Capitol grounds. This resolution would expand and replace the prior resolution by allowing the Commissioner to also grant the carrying and firing of ceremonial firearms for "21 gun salutes". These exceptions would be for a specific time and specific place in the same spirit as the Board's previous exceptions.

Attorney General Koster moved to approve the designation of authority. Governor Nixon seconded the motion. Motion was carried by the vote:

Governor Nixon	YEA
Lieutenant Governor Kinder	ABSENT
Attorney General Koster	YEA

There being no further business, upon motion made by Attorney General Koster, seconded by Governor Nixon, and carried by unanimous vote, Governor Nixon declared the meeting adjourned.