

BOARD OF PUBLIC BUILDINGS
MINUTES OF MEETING

June 2, 2015

Pursuant to public notice previously provided by the Office of Administration, Governor Nixon called the meeting to order at 9:34 A.M. Call of roll indicated that the following members of the Board were present.

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

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

Governor Nixon asked for approval of the March 18, 2015 meeting minutes. Attorney General Koster moved for the adoption of the minutes. Lt. Governor Kinder seconded the motion. Motion carried by unanimous vote.

Governor Nixon stated that the first item on the agenda was an executive summary which discusses financing capital improvements at state facilities and colleges and universities. Governor Nixon asked Stacy Neal to brief the Board. Stacy explained that included in the packets was a proposal to pursue a bond issuance for capital improvement projects located at the State Capitol, other state facilities, and educational institutions. A list of projects totaling approximately \$314.3 million was included in the meeting packet. It is expected that bonds will be issued in two or three series to comply with IRS spending requirements related to tax-exempt bond sales. The Office of Administration requested authority to engage professionals from competitively bid contracts to pursue an approximate \$60 million transaction. Gilmore & Bell and Fields & Brown will be co-bond counsel, Columbia Capital Management as financial advisor, and Kutak Rock and Hardwick Law Firm as co-disclosure counsel. Stacy explained that another sale is expected in 9-12 months.

Attorney General Koster moved to proceed. Lt. Governor Kinder seconded the motion. Motion was carried by the vote:

Governor Nixon	YEA
Lieutenant Governor Kinder	YEA
Attorney General Koster	YEA

Governor Nixon stated that the next item on the agenda was the resolution directing the use of certain Board funds. Governor Nixon asked Stacy Neal to brief the Board. Stacy explained Series B 2001 Refunding bonds created the Depreciation, Replacement and Operating Reserve Fund with a minimum balance of \$1 million. The bonds were paid off December 1, 2012; therefore, the funds are no longer required. Stacy explained that the resolution directs the Office of Administration to use the cash balance of approximately \$1,013,300 in addition to an \$850,000 FY16 General Revenue appropriation for the purchase of a new state office building in Kansas City.

Governor Nixon asked Office of Administration Commissioner Doug Nelson to brief the Board. Commissioner Nelson explained the property is located at 3300 E. 63rd Street, Raytown, MO. It is a 64,000 square foot building with 400 parking spaces; 190 of those spaces covered. With the purchase of this building the State will be able to collapse eight leases from five of the State's Executive Departments resulting in a total lease reduction of approximately 42,814 sq. ft., and an annual lease cost savings of approximately \$563,707. The purchase price of the building is \$1,750,000. Board members discussed.

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

Governor Nixon	YEA
Lieutenant Governor Kinder	YEA
Attorney General Koster	YEA

Governor Nixon stated that the next item on the agenda was a briefing on the Veterans Memorial expansion. Governor Nixon asked Office of Administration Commissioner Doug Nelson to brief the Board. Commissioner Nelson explained the sites being considered for expanding the Veterans Memorial. Board members discussed and agreed to receive additional future briefings.

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