

## STATE BUILDING AUTHORITY

A meeting of the State Building Authority (SBA) Board of Trustees was held at the Richard H. Austin Building in the State Treasurers' Board Room, located at 430 West Allegan Street, Lansing, Michigan at 1:00 p.m., Wednesday, April 25, 2018.

### Board Members Present:

Patrick Devlin  
Linda Orlans  
Peter Schwartz  
Dale Zahn

### Board Members Absent:

James Mrubu

### Authority Staff:

Debbie Roberts, Executive Director  
Carol Schulz, Financial Specialist  
TeAnn Smith, Financial Analyst

### Others Present:

Alan Lambert (Attorney General's Office)  
Brian Lefler (R.W. Baird)  
Alyson Schafer (R.W. Baird)  
Bryan Monaghan (AT&T)  
Steven Wells (AT&T)  
Lynette Witgen (Department of Treasury)

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Chairperson Devlin called the meeting to order at 12:45 p.m. Mr. Devlin introduced himself and noted that a quorum was present. He invited the new board member, Mr. Schwartz, to introduce himself and the other board members briefly shared their background as well. Ms. Roberts introduced the staff and financing

team and introductions continued around the room. Two members from the public representing AT&T were present.

Chairperson Devlin asked if there were any comments from the public. There were none.

The minutes of the August 16, 2017, meeting were reviewed. Mr. Zahn moved that the minutes be accepted as written. Ms. Orlans supported the motion, which passed unanimously.

Ms. Roberts reviewed the agenda, which included the election of a co-chair, overview of the 2017 bond issue, and six resolutions for approval. Two resolutions are for approval of sub-leases, two resolutions are to approve a carve out of excess property for a currently bonded project that will be used for an upcoming project, one resolution is to approve an amendment to an easement agreement to include the proper adjusted legal description, and the final resolution is for approval of construction and completion assurance agreements for four projects for inclusion in the commercial paper program.

Ms. Schulz reviewed the CP status report and noted that there are currently 2 projects in the CP Program. The total CP outstanding amount is \$33.16 million issued on February 1, 2018, at a rate of 1.24% with a maturity date of May 10, 2018.

Mr. Lefler gave a brief review of the 2017 bond issue. The bonds were issued at a variable rate which resets every week. Six new investors to the Authority purchased bonds. A brief discussion regarding our ratings and an upcoming Investors Summit took place.

Chairperson Devlin called for nominations for the election of co-chair of the Board of the State Building Authority. Mr. Devlin made a motion to nominate Ms. Orlans as co-chair. Mr. Devlin inquired if there were any other nominations to which there were none. Ms. Orlans accepted the nomination. The motion to elect Ms. Orlans as co-chair of the Board of the State Building Authority was supported and passed unanimously.

The first resolution presented to the Board is for approval of a sub-lease and easement at Eastern Michigan University. Ms. Roberts indicated that this sub-lease would allow for Cingular Wireless to install, maintain, and operate a communications facility on top of the Pray-Harrold Hall. Mr. Zahn inquired if there were any concerns, issues, or objections from any parties to the resolutions being presented. Ms. Roberts commented that there were no issues with any of the resolutions presented and that the documents were in the legal and standard form as in previously approved transactions and had been approved by the Attorney General's Office. Ms. Roberts further indicated that the resolutions are all in order for the Board's consideration and approval. It was moved by Mr. Zahn, support by Mr. Schwartz, that the Board approve the Resolution of the State Building

Authority Approving a Sub-Lease and Easement for Eastern Michigan University Pray-Harrold Hall Renovations. A roll call was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans – Yes
- Mr. Schwartz – Yes
- Mr. Zahn - Yes

The second resolution presented to the Board is for approval of sub-lease and easement between Western Michigan University and Lake Michigan College. Ms. Roberts indicated that the university currently owns a building on the college campus in which it no longer is in need of. The college and university would like to enter into a sub-lease whereby the college will be responsible for upkeep and use of the building. It was moved by Mr. Schwartz, supported by Mr. Zahn, that the Board approve the Resolution of the State Building Authority Approving a Sub-Lease for Western Michigan University Lake Michigan College Southwest Center. A roll call was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans – Yes
- Mr. Schwartz – Yes
- Mr. Zahn - Yes

The third resolution presented to the Board is for approval of a conveyance of property of Saginaw Valley State University and an amendment to lease. Ms. Roberts indicated that approval of the resolution is requested to allow the excess property to be carved out to allow the SBA to fund a newly approved expansion project. Ms. Roberts indicated the current lease has been outstanding for 20 years, which is not typical. It was moved by Mr. Zahn, supported by Mr. Schwartz, that the Board approve the Resolution of the State Building Authority Approving the Conveyance of Property of Saginaw Valley State University and an Amendment to Lease. A roll call was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans – Yes
- Mr. Schwartz – Yes
- Mr. Zahn - Yes

The fourth resolution presented to the Board is for approval of the conveyance of property and an amendment to lease of the University of Michigan. Ms. Roberts indicated that this resolution is similar to the previously approved resolution with the exception that this new carve out project is self-funded by the University of Michigan. It was moved by Mr. Zahn, supported by Mr. Schwartz, that the Board approve the Resolution of the State Building Authority Approving the Conveyance of Property of University of Michigan-Ann Arbor Central Campus

Renovations Phase II Literature, Science and Arts Building and an Amendment to Lease. A roll call was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans – Yes
- Mr. Schwartz – Yes
- Mr. Zahn - Yes

The fifth resolution presented to the Board is for approval to amend the easement agreement related to University of Michigan’s Literature, Science and Arts Building lease so that it includes the proper adjusted legal description. It was moved by Mr. Schwartz, supported by Ms. Orlans, that the Board approve the Resolution of the State Building Authority Approving the First Amendment to Parking, Pedestrian, Utility Line, Party Wall and Encroachment Agreement Pertaining to the Literature, Science and the Arts Building Central Campus Renovations, University of Michigan. A roll call was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans – Yes
- Mr. Schwartz – Yes
- Mr. Zahn - Yes

The sixth resolution presented to the Board is for approval of the construction agreements, conveyances of property, leases and easement agreements, for four

projects to enter the Commercial Paper Program. A brief discussion regarding college/university matching funds and reimbursement process was held. It was moved by Mr. Schwartz, supported by Ms. Orlans, that the Board approve the Resolution of the State Building Authority Approving Construction Agreements, Conveyances of Property, Leases and Easement Agreements, if Necessary, for Certain Facilities.

- Eastern Michigan University Strong Hall Renovation
- Kirtland Community College Michigan Forest Products Institute Building
- Muskegon Community College Health and Wellness Center
- Southwestern Michigan College Nursing and Health Education Building Renovation and Expansion

A roll call vote was conducted with the following results:

- Mr. Devlin – Yes
- Ms. Orlans - Yes
- Mr. Schwartz – Yes
- Mr. Zahn – Yes

Ms. Roberts indicated the next regular meeting scheduled for July 17, 2018, may be cancelled if there is not enough business to bring before the Board.

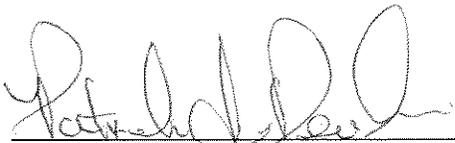
Mr. Devlin and Mr. Zahn expressed appreciation to the presenters, the State Building Authority staff, and Mr. Lambert for their work and efforts on these

financings. Additionally, Ms. Roberts expressed appreciation to the board for their attendance at these meetings on these very important matters brought before them.

Mr. Schwartz made a motion for adjournment supported by Mr. Zahn. Mr. Devlin adjourned the meeting at 1:15 p.m.

APPROVED AND ADOPTED:

  
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Deborah M. Roberts, Executive Director

  
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Patrick J. Devlin  
\_\_\_\_\_, Chairperson