

Meeting of the Board
STATE PUBLIC SCHOOL BUILDING AUTHORITY
August 9, 2012
515 North Office Building
Harrisburg, Pennsylvania
10:31 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, Roll Call and Announcement of Quorum.
2. Approval of the Minutes of the Meeting of July 26, 2012.
3. Revolving Loan Fund.
4. Approval of Projects.
 - A. Resolution Authorizing the Undertaking of a Project on Behalf of the Harrisburg Area Community College.
5. Old Business.
6. New Business.
7. Adjournment.

1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING, ROLL CALL AND ANNOUNCEMENT OF QUORUM.

With a quorum of the Board being present, the meeting of the Board of the State Public School Building Authority was called to order on Thursday, August 9, 2012 at 10:31 a.m. prevailing time, in Room 515 North Office Building, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification in regard to sending the notice of meeting is attached to these minutes and identified as Appendix "A".

Board Members Present

Rick Dreher, (Proxy for Governor Thomas W. Corbett)
David Transue, (Proxy for Senator Jeffrey E. Piccola)
Eileen Flinn, (Proxy for Senator Andrew E. Dinniman)
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)
Christopher Craig, (Proxy for State Treasurer Robert M. McCord)
Christal Pike-Nase, (Proxy for Auditor General Jack E. Wagner)
Secretary of General Services Sheri L. Phillips
Nicole Duffy, (Proxy for Secretary of Education Ronald J. Tomalis)

Board Members Absent

Representative John C. Bear

Authority Personnel Present

Robert Baccon, Executive Director
David Player, Comptroller
Beverly Nawa, Administrative Officer

Also Present

William McCarty, Esquire, Hartman Underhill & Brubaker LLP
Stephen Tuckey, Esquire, General Counsel, Office of the Republican Leader of the
House of Representatives
Linda Eremita, M&T Securities

Participated Via Conference Call

Margaret Angel, Esquire, Buchanan Ingersoll & Rooney PC
Jamie Doyle, Senior Managing Consultant, Public Financial Management
Barbara Hutchinson, Controller, Harrisburg Area Community College
Jon Cox, Esquire, Rhoads & Sinon, LLP

Katherine Clupper, Managing Director, Public Financial Management
Peter Edelman, Esquire, Stevens & Lee
Kenneth Kaiser, Associate Vice President for Finance & Human Resources, Temple
University

2. APPROVAL OF THE MINUTES OF THE MEETING OF JULY 26, 2012.

A copy of the minutes of the meeting of July 26, 2012, was distributed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the SPSBA meeting of July 26, 2012, be and hereby are approved as presented.

Upon **MOTION** by **Secretary Phillips**, and **SECONDED** by **Ms. Flinn**, and after full discussion, the above Resolution was approved at the SPSBA Board Meeting of August 9, 2012.

3. REVOLVING LOAN FUND.

Mr. Baccon stated that we had no closings since the July meeting and there are no pending projects.

4. APPROVAL OF PROJECTS.

A. Resolution Authorizing the Undertaking of a Project on Behalf of the Harrisburg Area Community College.

Mr. Baccon explained that the Harrisburg Area Community College has requested that we issue a maximum of \$16,000,000 in Revenue Bonds to finance the purchase of the College's York Campus.

The Underwriter will be selected by internet invited bid or by private negotiation; Public Financial Management is the Financial Advisor; and The Bank of New York Mellon is the Trustee for the bond issue. At the request of the College, the Office of General Counsel has appointed Rhoads & Sinon, as Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the bonds.

Barbara Hutchinson, Controller of the College, Jon Cox of Rhoads & Sinon and Jamie Doyle, Senior Managing Consultant of PFM, are participating by conference call to answer questions concerning the project.

Chairperson Dreher asked if Board Members had any questions or comments, and hearing none, he asked for a motion to approve the project.

**RESOLUTION OF THE
STATE PUBLIC SCHOOL BUILDING AUTHORITY
AUTHORIZING
THE UNDERTAKING OF A PROJECT ON BEHALF OF THE
HARRISBURG AREA COMMUNITY COLLEGE**

DOCKET NO. 2400

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The State Public School Building Authority (the "Authority") shall undertake the financing of a project (the "Project") for the benefit of the Harrisburg Area Community College (the "College") consisting of: (a) the purchase of real property known as the College's York Campus located at 2010 Pennsylvania Avenue, York, Pennsylvania, to accommodate enrollment growth and space constraints, including expanded library services and tutoring programs, as well as the addition of new programs to meet area workforce needs; and (b) the payment of related real estate costs and the costs and expenses of issuing and obtaining credit enhancement (if any) for the Bonds (defined below), all as more fully set forth in Exhibit A attached hereto and made a part hereof. At the request of the College, the Executive Director of the Authority shall have the power to add, delete or substitute any component of the Project but only to the extent permitted by The State Public School Building Authority Act of 1947, as amended, the Pennsylvania Department of Education, and any applicable Federal income tax laws.

2. In order to finance the Project, the Authority will enter into an appropriate trust indenture or supplemental trust indenture (herein referred to as the "Indenture") with the Trustee herein appointed, and shall issue up to \$16,000,000 in aggregate principal amount of revenue bonds in one or more series (which may be issued on the same or different dates, and which may be either tax-exempt or taxable bonds) to be designated substantially as the "State Public School Building Authority College Revenue Bonds (Harrisburg Area Community College Project), Series of 2012" (such bonds being herein referred to as the "Bonds"). The Bonds shall have a term not to exceed 20 years from the date of their issuance and delivery and shall bear interest at fixed or variable rates acceptable to the College, shall mature in such principal amounts and at such times, and shall be subject to redemption, all as approved by the Executive Director or Assistant Executive Director in consultation with the College and as further provided in a Bond Purchase Agreement hereinafter described.

In the event the College requests that the Bonds of any series bear a variable rate rather than a fixed rate of interest, the Executive Director or Assistant Executive Director of the Authority is hereby authorized to approve the initial interest rate to be borne by such Bonds, the variable interest rate formula to be used in determining interest due on the Bonds thereafter, and the maximum rate of interest that may be born by the Bonds (which maximum rate shall not exceed the maximum rate permitted by applicable law) and to appoint an

indexing agent, auction agent and/or remarketing agent and to take such other action as may be required in connection with bonds bearing a variable interest rate.

The Bonds shall be issued in such denominations and form and with such terms as shall be set forth in the Indenture and approved by the Executive Director or Assistant Executive Director of the Authority. The execution of the Bonds with the manual or facsimile signature of the Governor of the Commonwealth of Pennsylvania, the President or any Vice President of the Authority, together with the official seal or a facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority, is hereby authorized. The Executive Director or Assistant Executive Director of the Authority is hereby authorized to deliver the Bonds to the Trustee under the Indenture for authentication, and to execute and deliver instructions to the Trustee to deliver the Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof, against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture thereof.

3. The proceeds from the sale of the Bonds shall be loaned to the College pursuant to the terms of an appropriate loan agreement or supplemental loan agreement between the Authority and the College (herein referred to as the "Loan Agreement"), and shall be applied by the College for and toward the costs of the Project including: (a) the payment of the items of acquisition and construction included in the Project, (b) the payment of the costs of issuance of the Bonds, including without limitation, printing costs, fees and expenses of bond counsel, the underwriter and the financial advisor of the College, fees and expenses of the Trustee, and administrative costs and expenses of the College and the Authority, all upon submission of the proper documentation thereof, and (c) if applicable, the payment of the premium or other cost for credit enhancement or liquidity enhancement for the Bonds if determined to be advantageous by the College. The Authority is hereby authorized to assign and pledge the Loan Agreement and all revenues to be received by the Authority therefrom to the Trustee under the Indenture to secure the Bonds.

4. The President, any Vice President, the Executive Director or the Assistant Executive Director is hereby authorized on behalf of the Authority to enter into an acceptable purchase proposal (the "Bond Purchase Agreement") with an underwriter or underwriters (the "Underwriter"), which may be the Winning Bid following an internet auction of the sale of the Bonds or selected upon invitation to bid or private negotiation or internet auction as requested by the College in consultation with the financial advisor to the College, for the purchase of the Bonds issued in accordance with the terms of this Resolution, and the President, any Vice President, the Secretary or any Assistant Secretary, or the Executive Director or Assistant Executive Director of the Authority is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of the Authority and to take such further action as he or she deems necessary or advisable to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of the following documents relating to the issuance of Bonds of any series authorized hereunder and the financing of the Project: the Indenture, the Loan Agreement, the Bond Purchase Agreement and any other documents required in connection with the issuance of the Bonds; any remarketing agreement, auction agent agreement and/or indexing agent agreement if any of the Bonds shall bear interest at a variable rate; any continuing disclosure agreement if required in connection with the Bonds; any tax compliance or similar agreement with respect

to any Bonds issued as tax-exempt bonds and any other document to which the Authority is a party and which is required in connection with the financing of the Project; all in such form as shall be acceptable to Bond Counsel, the Attorney General of the Commonwealth, the Office of General Counsel, and Authority Counsel and as shall be approved by the Executive Director or Assistant Executive Director of the Authority.

6. The President, the Vice President, the Executive Director and the Assistant Executive Director of the Authority are, and each of them hereby is, authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary are, and each of them hereby is, authorized to attest and affix the official seal of the Authority to, each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

7. Any preliminary official statement or final official statement which may be used in connection with the offer and sale of the Bonds shall be in such form as shall be approved by the Executive Director or Assistant Executive Director of the Authority with the advice of Bond Counsel. The Executive Director or Assistant Executive Director is hereby authorized to execute any such preliminary official statement or final official statement in the name and on behalf of the Authority, and such execution by the Executive Director or Assistant Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of such documents. The circulation and distribution of copies of any such documents in connection with the offer and sale of the Bonds is hereby authorized.

8. The Underwriter is hereby authorized to purchase the Bonds upon the terms and conditions hereof and contained in the Bond Purchase Agreement. The Bank of New York Mellon shall be and hereby is authorized to act as Trustee under the Indenture in connection with the issuance of the Bonds. At the request of the College, the Office of General Counsel has appointed Rhoads & Sinon, LLP, as Bond Counsel for this issue.

9. The appropriate officers of the Authority are hereby authorized to take such further action and to execute and deliver in the name and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as they shall deem necessary or advisable in connection with the issuance of the Bonds and the implementation of this Resolution.

10. The appropriate officers of the Authority, including the President, the Vice President, the Executive Director and the Assistant Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by the College and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

11. The Trustee shall be, by virtue of this Resolution and without further

authorization from the Authority, authorized, directed and requested (i) to authenticate and deliver the Bonds upon the request of the Executive Director or Assistant Executive Director of the Authority, and (ii) to invest and reinvest all moneys which by the terms of the Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.

12. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other action as they shall deem necessary in order to effectuate the financing of the Project, the execution, delivery and receipt of the Indenture, the Loan Agreement, the Bond Purchase Agreement, and any continuing disclosure agreement, the distribution of a preliminary official statement and final official statement, and the issuance and sale of the Bonds, all in accordance with this Resolution.

13. This Resolution shall take effect immediately upon its adoption, and all prior Resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Ms. Flinn**, **SECONDED** by **Secretary Phillips**, and after full discussion, the above Resolution was approved at the SPSBA Board Meeting of August 9, 2012.

EXHIBIT A

HARRISBURG AREA COMMUNITY COLLEGE

SERIES OF 2012

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2400	Dauphin	Financing of: (a) the purchase of real property known as the College's York Campus located at 2010 Pennsylvania Avenue, York, Pennsylvania, to accommodate enrollment growth and space constraints, including expanded library services and tutoring programs, as well as the addition of new programs to meet area workforce needs; and (b) the payment of related real estate costs and the costs and expenses of issuing and obtaining credit enhancement (if any).	\$16,000,000

Completion/Purchase Date: December 31, 2012.

Maximum Term: 20 years.

Interest Rate: Fixed or Variable at the time of issuance.

Rating/Insurance: To be determined.

Bond Counsel: At the request of the College, the Office of General Counsel has appointed Rhoads & Sinon, LLP.

Trustee: The Bank of New York Mellon.

Financial Advisor: Public Financial Management, Inc.

Underwriter: To be selected by the College and Authority pursuant to internet auction and the Invitation to Bid or by private negotiation, with the advice of the Financial Advisor.

Minority and/or female participation in this transaction: To be determined by the College in consultation with the Executive Director or Assistant Executive Director.

Approved at the SPSBA Board Meeting of August 9, 2012.

5. OLD BUSINESS.

Chairperson Dreher asked if there was any old business to come before the Board, and hearing none, he moved to new business.

6. NEW BUSINESS.

Chairperson Dreher asked if there was any new business to come before the Board.

Mr. Baccon congratulated Ms. Flinn on her new position at St Vincent's College. He wished her the best of luck.

Chairperson Dreher thanked her for her service to the Board.

Ms. Flinn said that it has been a pleasure serving on the Board. She has informed both Senators Dinniman and Costa that they must find a new proxy beginning with the September meeting.

Chairperson Dreher asked if there was any other new business to come before the Board, and hearing none, he asked for a motion to adjourn.

7. ADJOURNMENT.

There being no further business to come before the Board at this time, upon **MOTION** by **Ms. Flinn**, and **SECONDED** by **Secretary Phillips**, the SPSBA Board Meeting was adjourned at 10:35 a.m.

SUNSHINE ACT MEETING NOTICES

Saturday, August 04, 2012

If you need an accommodation due to a disability, please contact the ADA contact listed below.

CANCELLED: State Board of Cosmetology Meeting: August 07, 2012, 9:00 AM. 2601 N. Third St., HBG.

Contact Name: Brandi Barrick - 214-1891

Public School Employees' Retirement Board Audit/Budget Committee Meeting: August 08, 2012, 8:30 AM. 5 N. 5th St., 4th Fl. Brd. Rm., HBG.

Add'l Mtg.: PSER Board Corporate Governance Committee Mtg., at 8:35 AM, same above date/location. PSER Board Finance Committee Mtg., at 8:45 AM, same above date/location.

Contact Name: Maryann Pavlovic - 720-4749

CANCELLED: State Board of Examiners of Nursing Home Administrators Meeting: August 08, 2012, 9:00 AM. 2601 N. Third St., HBG.

Contact Name: Brandi Barrick - 214-1891

Public School Employees' Retirement Board Health Care Committee Meeting: August 08, 2012, 1:00 PM. 5 N. 5th St., 4th Fl. Brd. Rm., HBG.

Add'l Mtg.: PSER Board Appeals/Member Services Committee Mtg., at 1:30 PM, same above date/location.

Contact Name: Maryann Pavlovic - 720-4749

Public School Employees' Retirement Board Personnel Committee Meeting: August 09, 2012, 8:30 AM. 5 N. 5th St., 4th Fl. Brd. Rm., HBG.

Add'l Mtg.: PSER Board Mtg., at 8:45 AM, same above date/location.

Contact Name: Maryann Pavlovic - 720-4749

CANCELLED: State Board of Certified Real Estate Appraisers Meeting: August 09, 2012, 9:00 AM. 2601 N. Third St., HBG.

Contact Name: Brandi Barrick - 214-1891

SPECIAL: State Public School Building Authority Meeting: August 09, 2012, 10:30 AM. North Office Bldg., Rm. 515, HBG.

Add'l. Special Mtg.: PA Higher Educational Facilities Authority Mtg. same above date/time/location.

Contact Name: Bev Nawa - 975-2204

PA Game Commission Board of Commissioners Meeting: August 13, 2012, 8:00 AM. PA Game Commission Bldg., 2001 Elmerton Ave., HBG.

Mtg. Purpose: Working Group Meeting

Contact Name: Joan French - 787-7836

PA DEP, Office of Oil and Gas Management Technical Advisory Board Meeting: August 15, 2012, 10:00 AM. RCSOB, Rm. 105, 400 Market St., HBG.

For disability accommodations please contact Kurt Klapkowski or Darek Jagiela at 717-772-2199 or through the PA AT&T Relay Service at 1-800-654-5984(TDD) 24 hrs. in advance so arrangements can be made.

Contact Name: Darek Jagiela - 772-2199

DCNR, Wild Resource Conservation Program Public Hearing on Grant Applications: August 30, 2012, 11:00 AM. RCSOB, 6th Fl. Conf. Rm., 400 Market St.,HBG.

Contact Name: Deb Miller - 787-3212

RESCHEDULED: Workers' Compensation Advisory Council Meeting: September 20, 2012, 10:00 AM. Rm. 326, 1171 S. Cameron St., HBG.

Contact Name: Cynthia Kendall - 783-5421]]>

Appeared in: ***Patriot-News*** on Saturday, 08/04/2012

Issued on myPublicNotices.com

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meeting of the Board to be Held
August 9, 2012

Notice was in letterform, as follows:

This letter advises that a meeting of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will be held on **Thursday, August 9, 2012**, at **10:30 a.m.**, in **515 North Office Building, Harrisburg**, Pennsylvania, for the purpose of: (a) approving certain projects for financing; and, (b) consideration of such other matters as may properly come before the Board.

Enclosed herewith is a copy of the notice that has been posted on the bulletin board in the Authority office, in accordance with Act No. 213, 1957.

I would appreciate it if you would make the appropriate notation on the attached slip, indicating whether or not you plan to be present at the meetings and return same to us.

Sincerely,

/s/ Robert Baccon

Robert Baccon
Executive Director

Enclosures

* * * * *

Harrisburg, PA

I CERTIFY that the notice on the previous page for the August 9, 2012, meetings was dispatched to the following on July 27, 2012, at the addresses indicated, constituting all of the members of the Board of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority.

Thomas W. Corbett, Governor of Pennsylvania
225 Main Capitol Building, Harrisburg, PA
Rick Dreher, Proxy for Governor Corbett
7th Floor, Verizon Tower, Harrisburg, PA
Jeffrey E. Piccola, Designated by the President Pro Tempore of the Senate
173 Main Capitol Building, Harrisburg, PA
Andrew E Dinniman, Designated by the Minority Leader of the Senate
183 Main Capitol Building, Harrisburg, PA
John C. Bear, Designated by the Speaker of the House of Representatives
145B East Wing, Harrisburg, PA
Anthony M. DeLuca, Designated by the Minority Leader of the House of Representatives
115 Irvis Office Building, Harrisburg, PA
Robert M. McCord, State Treasurer
129 Finance Building, Harrisburg, PA
Jack E. Wagner, Auditor General
229 Finance Building, Harrisburg, PA
Sheri L. Phillips, Secretary of General Services
515 North Office Building, Harrisburg, PA
Ronald J. Tomalis, Secretary of Education
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 27th day of July 2012.

/s/ Robert Baccon

Robert Baccon, Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority