

Meeting of the Board
STATE PUBLIC SCHOOL BUILDING AUTHORITY
June 23, 2021
Meeting is by Conference Call
11:03 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, and Announcement of Quorum
2. Approval of the Minutes of the Meeting of May 19, 2021
3. Financial Reports for the Months of April & May 2021
4. Revolving Loan Fund
5. Investment Activity
6. Approval of Projects
 - A. Resolution Authorizing the Financing of a Project on Behalf of Colonial Intermediate Unit No. 20
7. Old Business
 - A. Executive Director's Update
8. New Business
9. Adjournment

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

With a quorum of board members present, the meeting of the State Public School Building Authority was called to order on Wednesday, June 23, 2021 at 11:03 A.M. prevailing time. The meeting was held by conference call, due to the Covid-19 pandemic. The proof of the Sunshine advertisement and certification regarding sending the notice of the meeting is attached to these minutes and identified as Appendix "A". It was noted that the meeting was being recorded.

Chairperson Heuer asked if there were any members of the public on the call. There were no members of the public on the call.

Members Participating by Conference Call

Steven Heuer, (Proxy for Governor Thomas W. Wolf)
Terry Trego, (Proxy for Senator Scott Martin)
Dan Glatfelter, (Proxy for Representative Curtis G. Sonney)
Representative Napoleon J. Nelson
Jennifer Langan, (Proxy for Treasurer Stacy Garrity)
Christal Pike-Nase, (Proxy for Auditor General Timothy L. DeFoor)
Shawn Smith, (Proxy for Secretary of General Services Curtis M. Topper)
Patrick Lord, (Proxy for Secretary of Education Noe Ortega)

Member Absent

Senator Lindsey M. Williams

Authority Personnel Participating by Conference Call

Eric Gutshall, Executive Director
Beverly Nawa, Director of Operations
David Player, Comptroller

Also Participating by Conference Call

William McCarty, Esquire, Authority Counsel, Barley Snyder LLP
Dr. Christopher Wolfel, Executive Director, Colonial Intermediate Unit #20
Hans Baltzersen, Assistant to the Executive Director for Management Services,
Colonial Intermediate Unit #20
Scott Shearer, Managing Director, PFM Financial Advisors LLC

2. APPROVAL OF THE MINUTES OF THE MEETING OF MAY 19, 2021

A copy of the minutes of the meeting of May 19, 2021, 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 May 19, 2021, be and hereby are approved as presented.

Upon **MOTION** by **Ms. Pike-Nase** and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of June 23, 2021.

3. FINANCIAL REPORTS FOR THE MONTHS OF APRIL & MAY 2021

The Financial Reports for the months of April and May 2021 were emailed to Board Members prior to this meeting.

It is recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the Financial Reports of the State Public School Building Authority for the months of April and May 2021 as received by this Board, be accepted, and filed with the minutes of this meeting.

Upon **MOTION** **Ms. Pike-Nase** and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of June 23, 2021.

4. REVOLVING LOAN FUND

Mr. Gutshall explained that there were no project closings, but we have two pending projects. The Community College of Allegheny County has requested a loan of \$1,000,000 to purchase computers. The Pennsylvania Highlands Community College has requested \$120,000 to purchase network and computer lab equipment and a maintenance van. We expect these projects in close in early July.

5. INVESTMENT ACTIVITY

Mr. Gutshall explained that the Authority purchased \$4 million in FDIC insured CDs to replace maturing certificates. Dave is available to answer questions.

Chairperson Heuer asked if board members had any questions, and hearing none, he moved to approval of projects.

6. APPROVAL OF PROJECTS

A. Resolution Authorizing the Undertaking of a Project on Behalf of Colonial Intermediate Unit No. 20.

Mr. Gutshall explained that Colonial Intermediate Unit No. 20 has requested that we issue a maximum of \$7,504,000 in revenue bonds to finance all or a portion of the refunding of our Series of 2015 bonds. Colonial IU may choose a bank loan through Wayne Bank rather than a competitive sale.

PFM is the financial advisor to the IU and after completing an RFP and at the request of the IU, the Office of General Counsel has appointed King, Spry, Herman, Freund and Faul as the bond counsel for this issue.

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

Dr. Christopher Wolfel, Executive Director, Hans Baltzersen, Assistant to the Executive Director for Management Services of Colonial IU, and Scott Shearer, Managing Director of PFM are on the phone to answer board members' questions.

Chairperson Heuer asked if board members had any questions, 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
COLONIAL INTERMEDIATE UNIT NO. 20**

DOCKET NO. 2499

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 Colonial Intermediate Unit No. 20 (“Colonial IU”) consisting of the refunding of the State Public School Building Authority’s (“Colonial Intermediate Unit No. 20 Project”) School Lease Revenue Bonds, Series of 2015 (the “2015 Bonds”) and the payment of the costs and expenses of issuing the Bonds (defined below) and obtaining credit enhancement (if any) therefor. At the request of Colonial IU, 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, to the extent required 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 \$7,504,000 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 School Lease Revenue Bonds (Colonial Intermediate Unit No. 20 Project)” with an appropriate series designation (such bonds being herein referred to as the “Bonds”). The Bonds may be issued pursuant to a bank loan or through the capital markets. The Bonds shall have a term not to exceed 9 years from the date of their issuance and delivery and shall bear interest at fixed or variable rates acceptable to the Colonial IU, shall mature in such principal amounts and at such times, and shall be subject to redemption, all as approved by the Executive Director in consultation with the Colonial IU and as further provided in a Bond Purchase Agreement hereinafter described.

In the event the Colonial IU requests that the Bonds of any series bear a variable rate rather than a fixed rate of interest, the 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 borne 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 of the Authority. The execution of the Bonds with the manual or facsimile signature of the Governor of the Commonwealth of Pennsylvania, as the President, or any Vice President of the Authority and the Treasurer 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 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 thereof, all in accordance with the requirements of the Indenture.

3. The proceeds from the sale of the Bonds shall be loaned to Colonial IU pursuant to the terms of an appropriate lease or supplemental lease between the Authority and Colonial IU (herein referred to as the "Lease") and shall be applied by Colonial IU for and toward the costs of the Project, including: (a) refunding of the 2015 Bonds, (b) the payment of the costs of issuance of the Bonds, including without limitation, printing costs, fees and expenses of bond counsel, the underwriter or lending institution and the financial advisor of Colonial IU, fees and expenses of the Trustee, and administrative costs and expenses of Colonial IU 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 Colonial IU. The Authority is hereby authorized to assign and pledge the Lease 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 or the Executive Director is hereby authorized on behalf of the Authority to enter into an appropriate bond purchase agreement or bank loan proposal (the "Bond Purchase Agreement") with the successful underwriting firm or lending institution for the purchase of any series of the Bonds authorized hereunder in accordance with the terms of this Resolution, and the President, any Vice President, the Secretary or any Assistant Secretary or the 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 Lease, the Bond Purchase Agreement, and any other documents required in connection with the issuance of the Bonds and the Project, any remarketing agreement, if any of the Bonds shall bear interest at a variable rate, 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 of the Authority.

6. The President, the Vice President and the 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, solely as to and for purposes of distribution, by the Executive Director of the Authority with the advice of Bond Counsel (as hereinafter defined). The 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 of the Authority shall constitute conclusive evidence of the Authority's approval, solely as to and for purposes of distribution, 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 or lending institution, which shall be selected via a competitive process, is hereby authorized to purchase the Bonds upon the terms and conditions hereof and contained in the Bond Purchase Agreement. Manufacturers and Traders Trust Company shall be and hereby is authorized to act as Trustee under any Indenture issued in connection with the issuance of the Bonds. After completing an RFP and at the request of Colonial IU, the Office of General Counsel has appointed King, Spry, Herman, Freund & Faul LLC as bond counsel for this issue ("Bond Counsel").

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 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 of the Authority, (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.

11. 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 Lease, the Bond Purchase 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.

12. The appropriate officers of the Authority, including the President, the Vice President and the 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, lease, bond, instrument or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by Colonial IU and approved by all other necessary parties, provided that (a) the officer executing such 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.

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. Pike-Nase**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of June 23, 2021.

EXHIBIT A

COLONIAL INTERMEDIATE UNIT NO. 20

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2499	Northampton	The current refunding of the 2015 Bonds	\$7,504,000

Maximum Term: 9 years

Interest Rate: Fixed for 5 years and then variable for the remainder of the term with a cap of 1.50%

Rating/Insurance: To be determined

Bond Counsel: After completing an RFP and at the request of Colonial IU, the Office of General Counsel has appointed King, Spry, Herman, Freund and Faul LLC as bond counsel for this issue.

Trustee: To the extent required, Manufacturers and Traders Trust Company

Underwriter or Lending Institution: Wayne Bank is expected to be selected by Colonial IU at its upcoming meeting based on its bid secured through a competitive process

Minority and/or Female Participation in this Financing: To be determined by the Colonial IU in consultation with the Executive Director

Approved at the SPSBA Board meeting of June 23, 2021.

7. OLD BUSINESS

A. Executive Director's Update

Mr. Gutshall explained that we have no projects in the pipeline at this time.

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

8. NEW BUSINESS

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

9. ADJOURNMENT

There being no further business to come before the Board at this time, and upon **MOTION** by **Ms. Pike-Nase**, the SPSBA Board Meeting was adjourned at 11:08 a.m.

SUNSHINE ACT PUBLIC MEETING NOTICES, THURSDAY, JUNE 10, 2021

Note that due to Covid-19 the meetings below are virtual only unless otherwise noted. Please utilize the ADA contact name listed below if you need an accommodation due to a disability, to check on the meeting status, to inquire about phone/online participation options, etc. Meetings below may be recorded.

PFBC Boating Advisory Board Meeting, 6/14/2021, 8:30 AM, PA Fish & Boat Commission HQ., 1601 Elmerton Ave., Susquehanna Rm., Hbg., PA, Contact: Chad Whitaker 717-705-7851.

Environmental Quality Board Meeting, 6/15/2021, 9 AM, Conf. Call: 1-415-655-0003, Access Code: 132 941 5909, Contact: Jennifer Swan 717-783-8727.

Special, State Civil Service Commission Meeting, 6/16/2021, 10:30 AM, Conf. Call: 877-953-3701, Access Code: 480 645 06#, Contact: Michele Whiting 717-787-3094.

Special, Dept. of L&I, Accessibility Advisory Board Meeting, 6/17/2021, 9 AM, Conf. Call: 1-267-332-8737, Access Code: 450 706 081#, Contact: Cindy Holtry 717-783-4560.

PEDFA Board Meeting, 6/16/2021, 11 AM, Conf. Call: 1-929-205-6099, Access Code: 857 7373 4182, Passcode: 070 834, Contact: Melanie Taylor 717-720-1395.

Cancelled, PMBDA Board Meeting, 6/17/2021, 10 AM, Conf. Call: 1-929-205-6099, Access Code: 834 3435 1067, Passcode: 566 451, Contact: Jill Wawrzonek 717-720-1349.

DEP Solid Waste Advisory Committee Meeting, 6/17/2021, 10 AM, Conf. Call: 1-415-655-0003, Access Code: 132 775 0446, <https://dep.webex.com/dep/onstage/g.php?MTID=e5e656cc8c5e8c62b5f0ae9907df5f2d8>, Contact: Jacqueline Binder 717-783-9258.

Rescheduled, PDE State Board of Private Academic Schools Pre-Meeting, 6/17/2021, 9 AM, Conf. Call: 1-267-831-0333, Access Code: 991 6838 7156, <https://zoom.us/j/99168387156>, Mtg. ID: 991 6838 7156, Contact: Ann Szwajkowski 717-705-5646, Mtg. 6/17/21 at 1PM is canceled.

Rescheduled, PDE State Board of Private Academic School Board Meeting, 6/17/2021, 1PM, Conf. Call: 1-267-831-0333, Access Code: 991 2823 6207, <https://zoom.us/j/99128236207>, Contact: Ann Szwajkowski 717-705-5646, Mtg. 6/18/21 is canceled.

PA State Ethics Commission Meeting , 6/23/2021, 3:30 PM, Finance Bldg., Rm. 307, 613 N. St., Hbg. PA. Bldg. is closed, seating is limited. Mtg. available via YouTube on Thurs., 6/24/21. By COB Mon., 6/14/21, comments must be submitted to Julie Gibson 717-783-1610.

DHS - Medical Assistance Consumer Subcommittee Meeting, 6/23/2021, 1 PM, Conf. Call: 1-415-655-0060, Access Code: 709 790 778, Webinar: search dhs.pa.gov - Consumer Subcommittee, Contact: Carrie Stoner 717-783-9916.

Special, State Public School Building Authority & PA Higher Educational Facilities Authority Meeting, 6/23/2021, 11 AM, Conf. Call: 717-975-2216 or 888-852-3744, Access Code: 2846. Contact: Bev Nawa 717-975-2204.

Appeared in: ***Patriot-News*** on Thursday, 06/10/2021

Appendix A

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meetings of the Boards to be Held
June 23, 2021

The State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will meet on **Wednesday, June 23, 2021**, at **11:00 a.m. by conference call**. The call-in number is (717) 975-2216 or (888) 852-3744 and the conference code is 2846. The meetings are to: (a) approve projects for financing; and (b) consider other matters as may properly come before the Board.

Please complete the attached response and return to Bev Nawa via e-mail.

Sincerely,

Eric Gutshall
Executive Director

* * * * *

Harrisburg, PA

I CERTIFY that the notice on the previous page for the June 23, 2021, meetings was dispatched to the following on June 7, 2021, at the email addresses indicated, constituting all of the members of the Board of the State Public School Building Authority.

Steven S. Heuer, Proxy for Governor Wolf
stheuer@pa.gov

Scott Martin, Designated by the President Pro Tempore of the Senate
smartin@pasen.gov

Lindsey M. Williams, Designated by the Minority Leader of the Senate
lindsey.williams@pasenate.com

Curtis G. Sonney, Designated by the Speaker of the House of Representatives
csonney@pahousegop.com

Napoleon J. Nelson, Designated by the Minority Leader of the House of Representatives
repnelson@pahouse.net

Stacy Garrity, State Treasurer
hshaffer@patreasury.gov

Timothy L. DeFoor, Auditor General
plafoe@paauditor.gov

Curtis M. Topper, Secretary of General Services
cutopper@pa.gov

Noe Ortega, Secretary of Education
psherts@pa.gov

GIVEN under my hand and seal this 7th day of June 2021.

Eric Gutshall

Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority