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COMMONWEALTH OF VIRGINIA
VIRGINIA PUBLIC BUILDING AUTHORITY
Board of Directors Meeting
September 30, 2013
1:00 p.m.
3rd Floor Conference Room (Treasury Board Conference Room)
James Monroe Building
101 North 14th Street,
Richmond, Virginia

Members Present:	Sarah B. Williams, Chair	
	Manju Ganeriwala	
	James H. Flinchum	
	F. Dudley Fulton	
	John A. Mahone	
	David A. Von Moll	
Members Absent:	Robert C. Maddux	
Others Present:	Evie Whitley	Department of Treasury
	Bradley L. Jones	Department of Treasury
	Sherwanda Cawthorn	Department of Treasury
	Donald Ferguson	Office of the Attorney General

CALL TO ORDER

With a quorum present, the Chair, Ms. Williams, called the meeting to order at 1:01 p.m.

PUBLIC COMMENT

There was no public comment.

FORMAL INTRODUCTION OF NEW STAFF

Ms. Whitley introduced Brad Jones, the new manager of the Authority to the Board. The Board welcomed Mr. Jones to the Authority.

APPROVAL OF MINUTES

The Chair asked for a motion to approve the minutes from the January 8, 2013 meeting of the Board of Directors of the Virginia Public Building Authority. Mr. Flinchum made a motion to approve the minutes. The motion was seconded by Mr. Fulton and was unanimously approved by the Board Members. (Attachment A)

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CONSIDERATION OF RESOLUTION HONORING TRACY L. CLEMONS, SR.

Ms. Williams asked the Vice Chair, Mr. Flinchum, to read the Resolution (Attachment B) honoring the life of Tracy L. Clemons, Sr. Members of the Board shared memories of Mr. Clemons and his contributions to the Authority. The Board also complimented staff on the preparation of the Resolution. Ms. Whitley said the Resolution will be sent to Mr. Clemons' family.

Mr. Flinchum made a motion to approve the Resolution. The motion was seconded by Mr. Von Moll and passed with unanimous approval of the Board. (Attachment C)

ELECTION OF OFFICERS

Ms. Whitley provided an overview of the reason for the elections and explained that the by-laws require the elections every two years. The first positions up for nomination and approval were Secretary/Treasurer and Assistant Secretary/Treasurers #1 and #2. Ms. Whitley further explained that typically the Treasurer serves as Secretary/Treasurer, the Director of Debt Management serves as Assistant Secretary/Treasurer #1 and the VPBA Public Finance Manager serves as Assistant Secretary/Treasurer #2. However, the Board was informed they could choose other options. Ms. Williams asked the Board Members for nominations and Mr. Flinchum nominated the Treasurer to serve as Secretary/Treasurer, the Director of Debt Management to serve as Secretary/Treasurer #1 and the VPBA Public Finance Manager to serve as Secretary/Treasurer #2.

There was consensus among the Board to move forward with the slate of officers.

The Chair asked if there was a motion, and Mr. Flinchum made a motion to elect the slate of officers brought before the Board. Mr. Fulton seconded the motion and it passed with unanimous approval of the Board. (Attachment D).

The final position up for nomination and approval was Vice-Chair. The Chair asked the Board for nominations for the position of Vice-Chair of the Authority. Ms. Ganeriwala nominated Mr. James Flinchum to serve as Vice-Chair. Hearing no other nominations, Ms. Williams asked for a motion from the Board to elect Mr. Flinchum as Vice-Chair. Ms. Ganeriwala made the motion and the motion was seconded by Mr. Fulton. Mr. Flinchum was elected Vice-Chair after the unanimous approval of the Board. (Attachment E).

POST SALE ANALYSIS OF VPBA PUBLIC FACILITIES REVENUE AND REFUNDING BONDS SERIES 2013A&B

Ms. Williams asked Ms. Cawthorn to review the Final Financing Summary (Exhibit 1) for the Series 2013A&B Bonds. At the January 8, 2013, meeting the Board gave consideration to and approved the issuance of new money and refunding bonds. Ms. Cawthorn reported that the Authority received seven bids on February 7, 2013 and that Citigroup was the winning firm with a combined true interest cost of 2.43%. The Series 2013A TIC was 2.70% and the 2013B TIC was 1.74%. She also reported the level of net present value savings achieved from the refunding

portion totaled $6,578,081.75 or 8.3909%. Ms. Williams commended the Board and staff on achieving the significant dollar amount of savings.

FINANCIAL ADVISOR SELECTION

Ms. Whitley provided an overview of the procurement process and the motion approved by the Board at its last meeting, which directed staff's actions. Mr. Jones reviewed the development of the request for proposal ("RFP") and explained the review process. He stated that RFPs were distributed to seventeen financial advisors and five proposals were received. The five proposals were evaluated by staff and three finalists were selected to make presentations before the Board during the executive session of this meeting. The three finalists were said to be Public Resources Advisory Group, Acacia Financial Group, Inc. and Public Financial Management, Inc. Mr. Flinchum asked why the other two firms submitting proposals were not included in the interview process. Ms. Whitley responded that the three firms being interviewed were deemed most qualified. Mr. Von Moll asked if the firms had been ranked by cost and Ms. Whitley confirmed. Mr. Mahone asked about the questions the firms were to answer in the presentations. Mr. Jones provided a handout of the specific questions for each firm.

Ms. Whitley gave an explanation of the composition of the firms.

With the Board ready to begin the interview process, the Chair asked for a motion to convene a closed meeting under the Virginia Freedom of Information Act in order to discuss the procurement of financial advisors under Virginia Code §2.2-3711 (A) (30). Mr. Fulton made a motion to convene a closed meeting and cited the Code of Virginia as providing the authorization for this action. Mr. Flinchum seconded the motion and it passed with unanimous approval of the Board. (Attachment F) The Board convened its closed meeting at 1:35 p.m.

At 4:40 p.m. a motion was made by Mr. Flinchum to reconvene in open session. Ms. Ganeriwala seconded the motion and it passed with unanimous approval from the Board. (Attachment G)

Ms. Williams asked for another motion to certify the Committee conducted the closed meeting in conformity with Virginia law. Ms. Ganeriwala made a motion to approve the Resolution (Attachment H) and read the resolution as required by Virginia law. The motion was seconded by Mr. Fulton. As is required by Virginia law, a roll call vote was taken and the motion was certified by the following Board Members:

	YEAS	**NAYS**
Mr. Von Moll	X	
Mr. Mahone	X	
Mr. Flinchum	X	
Ms. Williams	X	
Ms. Ganeriwala	X	
Mr. Fulton	X	
Mr. Maddux	Absent	

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Ms. Williams asked for a motion to direct staff to begin negotiations with select Financial Advisory firms. A motion was made by Mr. Flinchum to direct staff to begin negotiations with Public Financial Management, LLC and Acacia Financial Group, Inc. to serve as Financial Advisors to the Authority and to delegate to the Secretary/Treasurer of the Authority approval of the final contracts. The motion was seconded simultaneously by Mr. Mahone and Mr. Von Moll and was passed unanimously by the Board. (Attachment I).

ADJOURNMENT

Ms. Whitley informed the Board that it is anticipated the Authority will have a winter bond sale. Therefore, the Board may need to meet after the first of the year to approve the terms and structure of the next bond sale. Having no other business to be brought before the Board, the meeting was adjourned by the Chair asking if there was a motion to adjourn. While no formal motion was made or seconded, all Board Members were in favor and the meeting adjourned at 5:05 p.m. (Attachment J)

Respectfully submitted,
Bradley L. Jones
Assistant Secretary/Treasurer #2

Exhibits may be obtained by contacting the Department of Treasury at (804) 225-2142.

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ATTACHMENT A

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO APPROVE JANUARY 8, 2013 BOARD MINUTES

I move to approve the Minutes of the January 8, 2013 Board Meeting as presented.

Motion: Mr. Flinchum Second: Mr. Fulton

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT B

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

Virginia Public Building Authority

Resolution of Recognition and Appreciation

Tracy L. Clemons, Sr.
September 30, 2013

WHEREAS, Tracy L. Clemons, Sr. served as Public Finance Manager and Assistant Secretary and Assistant Treasurer #2 of the Virginia Public Building Authority from August, 15, 2001 until March 4, 2013;

WHEREAS, Tracy L. Clemons, Sr. previously served the Virginia Department of Treasury for twelve years as Senior Auditor from August 1, 1988 to October 31, 1991; Debt Analyst from November 1, 1991 to December 9, 1997 and Senior Debt Analyst from December 10, 1997 to October 17, 2000;

WHEREAS, through his dedication to the goals and objectives of the Authority, Mr. Clemons provided the Board with a valuable resource on which to draw in providing financing for Commonwealth capital projects serving tirelessly and faithfully over his twelve year career as Public Finance Manager; and

WHEREAS, during Mr. Clemons tenure the Virginia Public Building Authority issued nearly $3.5 billion in revenue and refunding bonds, and generated nearly $48.5 million in debt service savings, all for the benefit of Commonwealth agencies;

WHEREAS, Mr. Clemons showed his dedication to the goals and objectives of the Board by sharing with the Board and staff his common sense approach to public finance and public policy issues;

NOW, THEREFORE, BE IT RESOLVED that the Board of the Virginia Public Building Authority does hereby recognize and express its sincere appreciation for the dedication, wise counsel, and unselfish service of Tracy L. Clemons, Sr. and mourns the passing of a dedicated pubic servant; and

BE IT FURTHER RESOLVED that a copy of this resolution be prepared for presentation to the family of Tracy L. Clemons, Sr. as an expression of the Board's respect for his memory.

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ATTACHMENT C

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO APPROVE RESOLUTION HONORING TRACY L. CLEMONS, SR.

I move to approve the Resolution honoring Tracy L. Clemons, Sr.

Motion: Mr. Flinchum Second: Mr. Von Moll

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT D

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION ELECT SECRETARY/TREASURER AND ASSISTANT SECRETARY TREASURERS #1 AND #2

I move to elect the Treasurer of Virginia to serve as Secretary Treasurer, the Director of Debt Management as Assistant Secretary/Treasurer #1 and the VPBA Public Finance Manager as Assistant Secretary/Treasurer #2 of the Virginia Public Building Authority, effectively immediately.

Motion: Mr. Flinchum Second: Mr. Fulton

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT E

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO ELECT VICE-CHAIR

I move to elect James Flinchum as Vice-Chair of the Virginia Public Building Authority, effectively immediately.

Motion: Ms. Ganeriwala Second: Mr. Fulton

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT F

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO CONVENE CLOSED MEETING

"I move that the Virginia Public Building Authority convene a closed meeting under the Virginia Freedom of Information Act in order to discuss the procurement of financial advisors under Virginia Code §2.2-3711(A)(30)*."

*§2.2-3711(A)(30). Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

Motion: Mr. Fulton Second: Mr. Flinchum

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT G

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO RECONVENE IN OPEN SESSION

"I move that the Virginia Public Building Authority reconvene in open session."

Motion: Mr. Flinchum Second: Ms. Ganeriwala

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT H

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION AND RESOLUTION CERTIFYING CONDUCT OF CLOSED MEETING

"I move the following resolution:

WHEREAS, the Virginia Public Building Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712 of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that this subcommittee of the Virginia Public Building Authority certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board".

Motion: Ms. Ganeriwala Second: Mr. Fulton

Approval (Yes/No): Yes

Roll Call Vote Needed*:
Yeas: Mr. Von Moll
Mr. Mahone
Mr. Flinchum
Ms. Williams
Ms. Ganeriwala
Mr. Fulton
Nays:

*Note: Mr. Maddux was unable to attend the meeting; therefore, a vote is not recorded for him.

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ATTACHMENT I

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO DIRECT STAFF ON FINANCIAL ADVISOR NEGOTIATIONS AND DELEGATION OF SELECTION

"I move to direct staff to begin negotiations with Public Financial Management, LLC and Acacia Financial Group, Inc. to serve as Financial Advisors to the Authority, and delegate to the Secretary/Treasurer of the Authority approval of the final contracts."

Motion: Mr. Flinchum Second: Mr. Mahone and Mr. Von Moll

Approval (Yes/No): Yes

Yeas: Unanimous
Nays:

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ATTACHMENT J

VIRGINIA PUBLIC BUILDING AUTHORITY
BOARD MEETING – SEPTEMBER 30, 2013

MOTION TO ADJOURN MEETING

I move that the meeting be adjourned.

Motion: _____ Second: _____

Approval (Yes/No): Ms. Williams requested a motion be made. While no formal motion was made or seconded, all Board Members were in favor and the meeting was adjourned.

Yeas: _____
Nays: _____