

Meeting of the Board
STATE PUBLIC SCHOOL BUILDING AUTHORITY
February 5, 2015
Room 515 North Office Building
Harrisburg, Pennsylvania
10:40 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. Election of Officers for 2015.
3. Approval of the Minutes of the Meeting of December 18, 2014.
4. Financial Reports for the Months of November and December 2014.
5. Revolving Loan Fund.
6. Selection of Audit Firm.
7. Approval of Projects.
 - A. Resolution Authorizing the Undertaking of a Project on Behalf of the North Montco Vocational-Technical School.
 - B. Resolution Authorizing the Undertaking of a Project on Behalf of The School District of Philadelphia.
8. Old Business.
9. New Business.
10. 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 State Public School Building Authority was called to order on Thursday, February 5, 2015 at 10:40 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

Steven Heuer, (Proxy for Governor Thomas W. Wolf)
Kelly Phenicie, (Proxy for Senator Lloyd K. Smucker)
Tom Lebo, (Proxy for Senator Andrew E. Dinniman)
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)
Jennifer Langan, (Proxy for Executive Deputy State Treasurer Christopher B. Craig)
Christal Pike-Nase, (Proxy for Auditor General Eugene A. DePasquale)
Acting Secretary of General Services Curtis M. Topper

Board Members Absent

Speaker Michael C. Turzai
Acting Secretary of Education Pedro A. Rivera

Authority Personnel Present

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

Also Present

William McCarty, Esquire, Hartman Underhill & Brubaker LLC
Jamie Doyle, Managing Director, Public Financial Management, Inc.
Benjamin Kapenstein, Analyst, Public Financial Management, Inc.
Jennifer Caron, Esquire, Eckert Seamans Cherin & Mellott, LLC
John Kelly, Managing Director – Public Finance, Janney Capital Markets
Roscoe Murphy, III, Analyst – Public Finance, Janney Capital Markets
Kathryn Cerulli, Pennsylvania Treasury
Danielle Guyer, Director of Budgetary Affairs for the Speaker of the House of Representatives

Participated Via Conference Call

Margaret Angel, Esquire, Buchanan Ingersoll & Rooney, PC
Sandy Edling, Business Administrator, North Montco Vocational Technical School
Megan Santana, Esquire, Fox Rothschild, LLP
Joan Stern, Esquire, Eckert Seamans Cherin & Mellott, LLC
Dacia Haddad, Esquire, Eckert Seamans Cherin & Mellott, LLC
Robert Tuteur, Esquire, Eckert Seamans Cherin & Mellott, LLC
Andre Allen, Principal, Phoenix Capital Partners, LLP
Matthew Stanski, CFO, The School District of Philadelphia
Erin Davis, Deputy CFO, The School District of Philadelphia
Valarie Allen, Esquire, Ballard Spahr LLP

2. ELECTION OF OFFICERS FOR 2015.

Chairperson Heuer explained that there is a revised print out of this item, updating the Treasurer to Christopher Craig who is the Executive Deputy State Treasurer.

He explained that the officers of the Authority are elected at the first board meeting of the year and this year we only have one incumbent officer. Typically the Governor serves as President of the Authority and the three Vice Presidents are the two members of the Senate and the majority leader of the House or his designee. The Secretary is usually the Secretary of General Services and the Treasurer is normally the State Treasurer.

Chairperson Heuer recommended that Governor Wolf be elected President, Senators Smucker and Dinniman and Speaker Turzai as the Vice Presidents, Executive Deputy State Treasurer Craig and eventually his successor as Treasurer and Acting Secretary Topper as Secretary. He also recommended Bob Baccon, Dave Player and Bev Nawa as Assistant Secretaries and Assistant Treasurers.

Chairperson Heuer opened the floor to nominations or a motion to elect the recommended officers.

In accordance with the SPSBA Bylaws, and upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Ms. Pike-Nase** at SPSBA Board Meeting of February 5, 2015, the following Officers were unanimously elected for a period of one year and until their respective successors shall have been duly elected and qualified or until they have ceased to be members of the Board .

- | | |
|-------------------|------------------|
| a. President | Thomas W. Wolf |
| b. Vice President | Lloyd K. Smucker |

Vice President	Andrew E. Dinniman
Vice President	Michael C. Turzai
c. Secretary	Curtis M. Topper
d. Treasurer	Christopher B. Craig
e. Assistant Secretary	Robert Baccon David Player Beverly M. Nawa
f. Assistant Treasurer	Robert Baccon David Player Beverly M. Nawa

3. APPROVAL OF THE MINUTES OF THE MEETING OF DECEMBER 18, 2014.

A copy of the minutes of the meeting of December 18, 2014, 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 December 18, 2014, be and hereby are approved as presented.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Ms. Langan**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of February 5, 2015.

4. FINANCIAL REPORTS FOR THE MONTHS OF NOVEMBER & DECEMBER 2014.

The Financial Reports for the months of November and December 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 November and December 2014 as received by this Board, be accepted and filed with the minutes of this meeting.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Ms. Langan**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of February 5, 2015.

5. REVOLVING LOAN FUND.

Mr. Baccon explained that we closed one loan to the Northampton County Area Community College for \$1,546,000. Funds will be used for ADA compliance across the main campus and renovations to Penn Hall and the Student Enrollment Center.

We also have a pending project on behalf of the Pennsylvania Highlands Community College. The College has requested a loan of \$156,204 to replace the hot water heater system at their Richland Campus. We expect this loan to close on the 15th of February.

Chairperson Heuer asked if Board Members had any questions on the Revolving Loan Fund, and hearing none, he moved to the next item.

6. SELECTION OF NEW AUDIT FIRM.

Chairperson Heuer noted that the staff selected a new audit firm. He asked Ms. Pike-Nase if she wanted to comment on this item.

Ms. Pike-Nase explained that this was an initiative of the Audit Committee of which the Auditor General is the chair. The Auditor General was very pleased to find out that there were 13 firms that submitted proposals and that there was a very qualified candidate of Maher Duessel.

Ms. Pike-Nase thanked Dave Player for doing a wide net search. She understood that it was a lot of work. The proposal was sent to 15 firms and it is a credit to him that 13 firms submitted bids. She also thanked Bob Baccon and Bev Nawa for their work on the committee to select the firm.

7. APPROVAL OF PROJECTS.

A. Resolution Authorizing the Undertaking of a Project on Behalf of the North Montco Vocational-Technical School.

Mr. Baccon explained that the Joint School Board of the North Montco Vocational Technical School has requested that we issue a maximum of \$11,100,000 of revenue bonds to currently refund the outstanding School Lease Revenue Bonds, Series of 2010.

It is anticipated that the Underwriter will be selected by private negotiation. Public Financial Management, is the Financial Advisor, and Wells Fargo Bank is the Trustee for the issue. At the request of the Joint School Board, the Office of General Counsel has appointed Fox Rothschild 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.

Jamie Doyle, Managing Director of PFM was in attendance to answer questions and Sandy Edling, Business Administrator of the Vo-Tech, and Megan Santana, Esquire, Fox Rothschild participated by conference call to answer questions concerning the project and the proposed financing.

Chairperson asked if Board Members had any questions or comments about the project.

Ms. Langan asked how much the school is saving through the refunding.

Ms. Doyle explained that there is a minimum savings target of 3%, which is about \$254,000 but at current market conditions the savings are well over that. They are about \$400,000 net.

Chairperson if there were any other 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 NORTH MONTCO VOCATIONAL-TECHNICAL SCHOOL d/b/a
THE NORTH MONTCO TECHNICAL CAREER CENTER**

DOCKET NO. 2434

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") on behalf of the North Montco Vocational-Technical School (d/b/a the North Montco Technical Career Center) (the "Vo-Tech") consisting of: (a) the current refunding of the Authority's School Lease Revenue Bonds (North Montco Technical Career Center Project), Series of 2010, which were issued in connection with the financing the construction of certain capital improvements to certain of the Vo-Tech's educational facilities, including all current and future additions, extensions and renovations thereto, from time to time; and (b) the payment of the costs and expenses of issuing and insuring the Bonds (defined below). At the request of the Vo-Tech, the Executive Director of the Authority shall have the power to add, delete or substitute for any component of the Project but only to the extent permitted by The State Public School Building Authority Act of 1947, as amended, the Department of Education, and the Federal income tax laws from time to time in effect.

2. In order to finance the Project, the Authority will enter into a Trust Indenture (herein referred to as the "Indenture") with a Trustee to be appointed by the Executive Director of the Authority, and shall issue up to \$11,100,000 in aggregate principal amount of bonds in one or more series (which may be issued on the same or different dates) to be designated as the "State Public School Building Authority School Lease Revenue Bonds (North Montco Technical Career Center Project)" with an appropriate series designation (such bonds being herein referred to as the "2015 Bonds"). The 2015 Bonds shall have a term not to exceed 30 years and shall bear interest at a fixed or variable rate acceptable to the Vo-Tech, 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 Vo-Tech and as further provided in a bond purchase agreement hereinafter defined and described.

In the event the Vo-Tech requests that the 2015 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 2015 Bonds and the variable interest rate formula to be used in determining interest due on the 2015 Bonds thereafter, 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 2015 Bonds shall be issued in such denominations and form and with such terms as shall be set forth in the Indenture used in connection with the issuance of the 2015 Bonds and approved by the Executive Director of the Authority. The execution of the 2015 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 of the Authority is hereby authorized to deliver the 2015 Bonds to the Trustee under the Indenture for authentication, and to execute and deliver instructions to the Trustee to deliver the 2015 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 and/or any supplement thereof.

3. The proceeds from the sale of the 2015 Bonds shall be loaned to the Vo-Tech pursuant to the terms of an Agreement of Lease among the Authority, the Vo-Tech Area Vocational-Technical Board (the "Vo-Tech Board") and certain participating school districts (the "Participating Districts") (herein referred to as the "Lease Agreement") and an Agreement of Sublease among the Authority, the Vo-Tech Board and the Participating Districts (the "Sublease Agreement"), and shall be applied for and toward the costs of the Project including the payment of the costs of issuance of the Bonds, such as printing and reproduction costs, fees and expenses of bond counsel, the underwriter and the financial advisor of the Vo-Tech, fees and expenses of the Trustee, and administrative costs and expenses of the Vo-Tech and the Authority, all upon submission of the proper documentation thereof, and payment of the premium for a policy of municipal bond insurance, or other credit enhancement or liquidity enhancement if determined to be advantageous by the proper officers of the Vo-Tech.

4. The President, any Vice President, or the Executive Director is hereby authorized on behalf of the Authority to enter into an acceptable purchase proposal with an underwriter or underwriters ("the Underwriters") selected upon invitation to bid or private negotiation as requested by the Vo-Tech in consultation with the financial advisor to the Vo-Tech, for the purchase of any series of the 2015 Bonds issued hereunder (the "Bond Purchase Agreement"), 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 particular 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 2015 Bonds of any series authorized hereunder and the financing of the Refunding Project: the Indenture, the Lease Agreement, the Sublease Agreement, and any other documents required in connection with the issuance of the 2015 Bonds; any remarketing agreement, auction agent agreement and/or indexing agent agreement if any of the 2015 Bonds shall bear interest at a variable rate; any continuing disclosure agreement if required in connection with the 2015 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, any Vice President or the Executive Director of the Authority, and each of them is hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary and each of them, is hereby 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 and/or final official statement which may be used in connection with the offer and sale of the 2015 Bonds shall be in such form as shall be approved by the Executive Director of the Authority with the advice of Bond Counsel. The Executive Director is hereby authorized to execute any such preliminary official statement and/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 of such documents. The circulation and distribution of copies of any such documents in connection with the offer and sale of the 2015 Bonds is hereby authorized.

8. The Underwriters shall be and are hereby authorized to purchase the 2015 Bonds, upon the terms and conditions hereof and contained in the Bond Purchase Agreement. The Trustee approved by the Executive Director of the Authority with the advice of Bond Counsel shall be and hereby is authorized to act as Trustee under the Indenture in connection with the issuance of the 2015 Bonds. At the request of the Vo-Tech, the Office of General Counsel has appointed Fox Rothschild 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 2015 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 to invest and reinvest all moneys available therefor pursuant to the Indenture, which by the terms of such 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 Agreement, the Sublease Agreement, the Bond Purchase Agreement, any Continuing Disclosure Agreement, the distribution of a preliminary official statement and/or final official statement and the issuance and sale of the 2015 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, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Projects (collectively, the "Bond Documents") requested by the Institutions 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.

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 **SECONDED** by **Acting Secretary Topper**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of February 5, 2015.

EXHIBIT A

NORTH MONTCO VOCATIONAL-TECHNICAL SCHOOL

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2434	Montgomery	Financing of: (a) the current refunding of the School Lease Revenue Bonds, Series of 2010(North Montco Technical Career Center Project) issued by SPSBA, and (b) the payment of related costs, including costs and expenses of issuing the Bonds.	\$11,100,000

Substantial Completion Date: March 25, 2015.

Maximum Term: 16 years.

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

Current Outstanding Principal Indebtedness and Debt Rating: \$8,480,000/Moody's "Aa2".

Insurance: To be determined.

Bond Counsel: At the request of the Joint School Board, the Office of General Counsel has appointed Fox Rothschild LLP.

Trustee: Wells Fargo Bank, N.A.

Financial Advisor: Public Financial Management, Inc.

Underwriter: To be selected by the Joint School Board and Authority pursuant to a Request for Proposals, with the advice of the Financial Advisor.

Minority, Veteran and/or Female Participation in this Financing: To be determined by the Joint School Board in consultation with the Executive Director.

Approved by the SPSBA Board at its meeting of February 5, 2015.

7. APPROVAL OF PROJECTS (CONTINUED).

B. Resolution Authorizing the Undertaking of a Project on Behalf of The School District of Philadelphia.

Mr. Baccon explained that The School District of Philadelphia has requested that we issue a maximum of \$80,000,000 in Revenue Refunding Bonds to finance the advanced refunding of certain of the Authority's School Lease Revenue Bonds Series 2006A.

The Underwriters or direct purchasers of the Bonds shall be selected upon invitation to bid or by private negotiation. Phoenix Capital Partners is the School District's Financial Advisor and The Bank of New York Mellon Trust Company is the Trustee. At the request of the School District, the Office of General Counsel has appointed Eckert Seamans Cherin & Mellott 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.

Jennifer Caron, Esquire, Eckert Seamans and John Kelly from Janney Montgomery Scott were in attendance to answer questions and Joan Stern, Esquire, Dacia Haddad, Esquire & Robert Tuteur, Esquire all of Eckert Seamans participated by conference call along with Andre Allen, Phoenix Capital Partners, Matthew Stanski, CFO of the school district and Erin Davis, Deputy CFO.

Chairperson Heuer asked if Board Members had any questions or comments about the project.

Ms. Langan asked if there was going to be an Intercept Agreement as part of the financing.

Ms. Stern said that there would be an Intercept Agreement.

Ms. Langan asked if the Board could approve this without Treasury approving the Intercept.

Ms. Stern said that there will be an amendment to the existing agreement.

Ms. Langan asked how they go to market without the Treasury approving the agreement.

Mr. McCarty asked Ms. Stern if it was fair to say that the BPA requires that the Intercept be in place as a condition of closing.

Ms. Stern said that they would not sign the BPA unless they had the other necessary approvals of other documents, which would come from the Department of

Education and the Treasury. They have no reason to believe that they will not approve the amendment.

Ms. Langan asked if the amendment had been sent to Education and Treasury yet.

Ms. Stern said that it had it been sent to both agencies.

Ms. Langan said that she wanted to make sure that the project would not close without Treasury and Education approving the Intercept Agreement.

Mr. McCarty explained that it is a condition of closing.

Chairperson asked if there were any other 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 SCHOOL DISTRICT OF PHILADELPHIA**

DOCKET NO. 2435

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 School District of Philadelphia (the “School District”) consisting of: (a) the refunding in advance of certain outstanding maturities of the Authority’s \$317,125,000, original aggregate principal amount, School Lease Revenue Bonds (The School District of Philadelphia Project) Series 2006A (the “Refunded 2006A Bonds”); and (b) the payment of the costs and expenses of issuing the Bonds (defined below). The maturities to be refunded shall be selected by the School District.

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 \$80,000,000 in aggregate principal amount of revenue refunding 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 Refunding Bonds (The School District of Philadelphia Project), Series 2015A” with appropriate series designations (such bonds being herein referred to as the “Bonds”). The Bonds shall have a term not to exceed 16 years from the date of their issuance and delivery and shall bear interest at fixed rates acceptable to the School District, 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 School District and as further provided in a Bond Purchase Agreement, hereinafter described.

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 by 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 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.

3. The proceeds from the issuance of the Bonds shall be paid to the School District as a lump sum rental payment pursuant to the terms and provisions of an agreement

of lease or supplemental lease between the Authority, as lessee, and the School District, as lessor (the "Lease") and shall be subleased by the Authority to the School District pursuant to the terms and provisions of an agreement of sublease or supplemental sublease (the "Sublease"). The Lease and Sublease shall cover such buildings of the School District as the Authority and the School District shall agree, including buildings of the School District which are presently subject to similar agreements between the School District and the Authority. The terms of the Lease and the Sublease shall be subject to further approval by the President, any Vice President or the Executive Director of the Authority.

4. The President, any Vice President, or the Executive Director is hereby authorized on behalf of the Authority to accept a purchase proposal for the purchase of the Bonds issued in accordance with the terms of this Resolution (the "Bond Purchase Agreement") with an underwriter or underwriters (the "Underwriter"), or a direct purchaser or direct purchasers of the Bonds, which may be the selected upon invitation to bid or by private negotiation, as requested by the School District in consultation with its financial advisor, and the President, any Vice President, the Secretary or any Assistant Secretary, or the Executive Director of the Authority is hereby authorized to approve, 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 President, any Vice President, or the Executive Director is hereby authorized on behalf of the Authority to execute, to attest, to seal, to acknowledge and to deliver, as applicable, the Escrow Deposit Agreement, dated the date of closing of the Bonds, by and among the Authority, the School District, the Trustee, and the Escrow Agent herein appointed (the "Escrow Deposit Agreement").

The Authority, at the direction of the School District, hereby authorizes the call for redemption of the Refunded 2006A Bonds, which are then outstanding on the dates and in the amounts set forth in the Escrow Deposit Agreement. The Authority hereby directs and requests the Trustee for the Refunded 2006A Bonds to give notice of refunding and notice of redemption as provided in the Escrow Deposit Agreement and in accordance with the terms of the Refunded 2006A Bonds and the Indenture, pursuant to which such Refunded 2006A Bonds were issued, and to take all other action required to effect the refunding, redemption and payment of the Refunded 2006A Bonds.

6. 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 Sublease, the Bond Purchase Agreement, the Escrow Deposit Agreement and any other documents required in connection with the issuance of 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 of the Authority.

7. 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.

8. 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 distribution, by the Executive Director of the Authority with the advice of Bond Counsel. 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 to “deem final” any such preliminary official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, and such execution by the Executive Director of the Authority shall constitute conclusive evidence of the Authority’s approval, solely as to 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.

9. The Bank of New York Mellon Trust Company, N.A. is and hereby is authorized to continue to act as Trustee under the Indenture in connection with the issuance of the Bonds and hereby is appointed as Escrow Agent under the Escrow Deposit Agreement. At the request of the School District, the Office of General Counsel has appointed Eckert Seamans Cherin & Mellott, LLC as Bond Counsel in connection with the issuance of the Bonds.

10. 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.

11. 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 agreement, sublease agreement, bond, instrument or other document executed and delivered with respect to the financing of the Project (collectively, the “Bond Documents”) requested by the School District 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 State Public School Building Authority Act, approved by the General Assembly of the Commonwealth of Pennsylvania on July 5, 1947, P.L. 1217, as amended, 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.

12. 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, 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.

13. 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 Sublease, the Escrow Deposit Agreement and the Bond Purchase Agreement, the distributions of a preliminary official statement and final official statement, and the issuance and sale of the Bonds, all in accordance with this Resolution.

14. The School District has represented to the Authority as follows: (i) the present principal amount of non-electoral general obligation debt of the School District which is outstanding is \$2,002,642,848 and the present principal amount of lease rental debt of the School District, all of which is evidenced by subleases from the Authority, as lessor to the School District as lessee, and which is outstanding is \$1,122,680,000; (ii) the underlying ratings on the School District's outstanding debt without reference to the intercept provisions of the Public School Code of 1949, as amended, are: Fitch Ratings, Inc. – "BB-" (negative outlook) and Moody's Investors Service – "Ba3" (negative outlook); and (iii) the final maturity date of the Bonds will not be more than sixteen (16) years from the date of issuance thereof, which is anticipated to occur on or about March 18, 2015.

15. 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**, **SECONDED** by **Acting Secretary Topper**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of February 5, 2015.

EXHIBIT A

THE SCHOOL DISTRICT OF PHILADELPHIA

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2435	Philadelphia	Financing of: (a) the refunding in advance of all or a portion of the outstanding maturities of the Authority's School Lease Revenue Bonds (The School District of Philadelphia Project) Series 2006A; and (b) the payment of the costs and expenses of issuing the Bonds.	\$80,000,000

Maximum Term: 16 years.

Interest Rate: Fixed.

Insurance: To be determined.

Debt Rating: Fitch Ratings, Inc. – “BB-” (negative outlook) and Moody’s Investors Service – “Ba3” (negative outlook).

Bond Counsel: At the request of the School District, the Office of General Counsel has appointed Eckert Seamans Cherin & Mellott, LLC.

Trustee: The Bank of New York Mellon Trust Company, N.A.

Financial Advisor: Phoenix Capital Partners LLP

Underwriter: The underwriter, underwriters or direct purchaser or direct purchasers of the Bonds shall be selected upon invitation to bid or private negotiation as requested by the School District in consultation with its financial advisor.

Minority, Veteran and/or Female Participation in this Financing: To be determined by the School District in consultation with the Executive Director.

Approved by the SPSBA Board at its meeting of February 5, 2015.

8. OLD BUSINESS.

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

9. NEW BUSINESS.

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

Mr. Baccon thanked Acting Secretary Topper for the use of the conference room for the Authority's Board Meetings.

Chairperson Heuer also thanked him and indicated that he was looking forward to working with him.

Ms. Pike-Nase asked if there would be an orientation session for new members.

Mr. Baccon said that staff will contact the new members to schedule a briefing session.

Chairperson Heuer told the Members that the next meeting is scheduled for March 10th and that is a Tuesday.

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

10. ADJOURNMENT.

There being no further business to come before the Board at this time, upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Ms. Langan**, the SPSBA Board Meeting was adjourned at 10:50 a.m.

SUNSHINE ACT MEETING NOTICES

Thursday, January 15, 2015

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

CANCELLED: Nyleve Bridge Corp. and James D. Morrissey, Inc. t/a Nyleve/Morrissey, a Joint Venture vs. DOT Docket No. 4038: January 20- February 27, 2015, 9:30AM. Fulton Bldg., 6th Fl., Court Rm. No. 1, HBG. CANCELLED: State Board of Examiners of Nursing Home Administrators Meeting: January 21, 2015, 9:00AM. 2601 N. Third St., HBG.

PSER Board Personnel Committee Meeting: January 21, 2015, 8:30AM 4th Fl. Board Rm., 5 N. 5th St., HBG.

Add'l meetings on 1/21/15, same location as

above: PSER Board Finance Committee Mtg at 8:45AM, PSER Board

Bylaws/Policy Committee Meeting at 11:15 AM, PSER Board

Appeals/Member Services Committee Meeting at 1 PM, and PSER Board-

Board Meeting at 1:30

PM.

Contact Name: Barbara Book 720-4749

DEP: Mining and Reclamation Advisory Board Meeting: January 22, 2015, 10:00 AM. RCSOB, 12th Fl., Conf. Rm., HBG.

Contact Name: Daniel Snowden 783-8846

PA Game Commission Board of Commissioners Meeting: January 25, 2015, 1:00 PM. PA Game Comm. Bldg., 2001 Elmerton Ave., HBG. Add'l meetings

scheduled: 1/26/15 and 1/27/15 at 8:30AM, same location as above. Purpose of

meeting: To discuss Game Commission business.

Contact Name: Joan French 787-7836

SPECIAL: State Public School Building Authority and PA Higher Educational Facilities Authority Meetings: February 05, 2015, 10:30 AM. Rm. 515, North Office Bldg., HBG.

Contact Name: Bev Nawa 975-2204

Appeared in: ***Patriot-News*** on Thursday, 01/15/2015

Appendix A

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meeting of the Board to be Held
February 5, 2015

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, February 5, 2015**, at **10:30 a.m.**, in **Room 515 North Office Building, Harrisburg**, Pennsylvania, for the purpose of: (a) electing officers for 2015; (b) approving certain projects for financing; and, (c) 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

* * * * *

Appendix A

Harrisburg, PA

I CERTIFY that the notice on the previous page for the February 5, 2015, meetings was dispatched to the following on January 22, 2015, 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. Wolf, Governor of Pennsylvania
225 Main Capitol Building, Harrisburg, PA
Steven S. Heuer, Proxy for Governor Wolf
333 Market Street – 18th Floor, Harrisburg, PA
Lloyd K Smucker, Designated by the President Pro Tempore of the Senate
(Meeting announcement sent 1/27/15)
351 Main Capitol Building, Harrisburg, PA
Andrew E. Dinniman, Designated by the Minority Leader of the Senate
182 Main Capitol Building, Harrisburg, PA
Mike Turzai Speaker of the House of Representatives
139 Main Capitol Building, 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
Eugene A. DePasquale, Auditor General
229 Finance Building, Harrisburg, PA
Curt Topper, Acting Secretary of General Services
515 North Office Building, Harrisburg, PA
Pedro Rivera, Acting Secretary of Education
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 22nd day of January 2015.

/s/ Robert Baccon

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