

## STATE BUILDING AUTHORITY

A meeting of the State Building Authority (SBA) Board of Trustees was held Monday, April 26, 2010, at Cadillac Place, 14<sup>th</sup> Floor, Press Room, 3020-3068 W. Grand Boulevard, Detroit, Michigan.

### Board Members Present:

Dawn Batts  
Ehrlich Crain  
Patrick Devlin  
Marty Mercer  
Carol Walters

### Authority Staff:

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

### Others Present:

Alan Lambert (Attorney General's Office)  
Rachael Eubanks (R. W. Baird)  
Wayne Workman (R. W. Baird)

Chairperson Devlin called the meeting to order at 2:10 p.m. with introductions of all in attendance.

The minutes of the November 16, 2009 meeting were reviewed, and Mr. Crain moved that the minutes be accepted as written. Ms. Mercer supported the motion which passed unanimously.

Mr. Devlin introduced the new board member, Carol Walters and asked her to say a few words about herself. Ms. Walters is President of Walters & Associates, a consulting firm, and in the past was the director of the Municipal Bond Authority in the Michigan Department of Treasury.

Ms. Roberts provided updates to the Board on the recent merger between the Department of Management and Budget and the Department of Information Technology. The merger occurred on March 21, 2010, with a new department name of Department of Technology, Management and Budget. Ken Theis is the Director.

As the result of the merger, some employees have been relocated. SBA staff moved to the 1<sup>st</sup> Floor of the Cass Building on April 23.

Ms. Roberts reviewed the agenda noting there are two resolutions for the Board to vote on. The first resolution is for four projects ready to move into the commercial paper program. The second resolution is for an amendment to a lease for a carve out and party wall agreement.

Ms. Schulz reported that the commercial paper outstanding is \$63 million for 3 projects and was issued March 25, 2010. The next CP roll will be June 24, 2010.

Ms. Roberts noted that the commercial paper liquidity expires at the end of this year. The five year line of credit was with Bank of New York and State Street Bank. Bank of New York does not want to continue. State Street Bank has expressed interest in continuing and US Bank has expressed an interest in being involved with the commercial paper program.. Mr. Workman noted there will not be an RFP as there are not many players due to credit meltdown. Ms. Roberts also noted the line of credit will be decreased from \$500 million to \$350 million.

Moving on to new business, Ms. Roberts explained that the first resolution before the Board will approve construction agreements for four project ready to enter the commercial paper program. Saginaw Valley has met their match, and the others are in construction and close to their match. It was moved by Ms. Mercer, supported by Ms. Batts that the board approve the Resolution of the State Building Authority Approving Construction Agreements, Conveyances of Property, Leases and Easement Agreements, if Necessary, for Certain Facilities. All were in favor and the motion passed unanimously.

Ms. Roberts presented the next item on the agenda, a resolution to approve an amendment to a lease. She explained this is similar to carve outs on other projects. Central Michigan University is building a new medical school adjacent to the Health Professions Building. The Health Professional building and the new project with share a wall. The new project is self funded so the party wall agreement only relates to the older lease for the Health Professions Building. It was moved by Mr. Crain, supported by Ms. Walters that the board approved the Resolution of the State Building Authority Approving the Conveyance of Property of Central Michigan University Health Professions Building, a Party Wall Agreement and an Amendment to Lease. All were in favor and the motion passed unanimously.

Ms. Roberts noted that the next scheduled meeting of the Board of Trustees is July 26, 2010 and will be held in Lansing. Dawn noted that she will not be able to attend the July meeting. Ms. Roberts also noted that we probably won't have a bond issue in 2010. The next bond issue will likely be in 2011 with the 2001 Series I refunding and a portion of the 2005 Series I bonds related to the put bonds.

The meeting was adjourned at 2:24 p.m.

APPROVED AND ADOPTED:

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Deborah M. Roberts, Executive Director

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Patrick J. Devlin, Vice-Chairperson