

## **A CALLED MEETING**

### **GEORGIA STATE FINANCING AND INVESTMENT COMMISSION**

**September 26, 2013**

The Georgia State Financing and Investment Commission held its Called Meeting in the Office of the Governor, Room Number 107 of the State Capitol, Atlanta, Georgia. The following Members of the Commission were present: Governor Nathan Deal, Chairman and Chief Executive Officer, presiding; State Auditor Greg Griffin, Secretary and Treasurer; Speaker of the House David Ralston; Attorney General Sam Olens and State Treasurer Steve McCoy. In addition to the above members, the following persons were present: Chris Riley, Chief of Staff and Bart Gobeil, Chief Operating Officer; Ryan Teague, Esq., Executive Counsel for the Office of the Governor; Spiro Amburn, Chief of Staff for the Speaker of the House; Caylee Noggle and Stephanie Beck of the Office of Planning and Budget; Wright Banks, Lisa Javorka and Nancy Gallagher of the Attorney General's Office; Commissioner Keith Golden, Russell McMurry and Josh Waller of the Department of Transportation; Chris Tomlinson, Executive Director; Bert Brantley, Meryll Mandus and Milika Reed Watkins of the State Road and Tollway Authority (SRTA); Matt Nichols and Alice Mabry of Sutherland Ashbill and Brennan LLP, Bond Counsel for the State Road and Tollway Authority (SRTA); C. Jones Hooks, Executive Director and Chairman Richard Royal of the Jekyll Island State Park Authority; David Clark, Department of Natural Resources; Sonja Allen and Tom Cook of the Department of Juvenile Justice; George Reid, Reid Firm LLP, Bond Counsel for the Construction Division of the Commission; and Sonny Manillia of the Georgia Building Authority; Director Diana Pope, Lee McElhannon, Angela Jackson and Kelly Zurbrugg of the Financing and Investment Division of the Commission; Marvin Woodward, State Property Deputy Director and Deputy Director of the Construction Division, Christy Sanders and Paul Melvin of the Construction Division of the Commission; Steven L. Stancil, State Property Officer, Executive Director of the Georgia Building Authority, Construction Division Director and Executive Secretary of the Commission; and others.

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**CALL TO ORDER AND MINUTES OF PREVIOUS MEETING**

2. Chairman and Chief Executive Officer Governor Nathan Deal called the meeting to order at approximately 9:50 A.M. It was noted that a quorum was present. Commissioner Gary W. Black attended the meeting by conference call. Each member present was provided with a briefing book. The minutes of the previous Commission meeting held on June 27, 2013 were approved without reading pursuant to an announcement that distribution of the minutes were provided to all members of the Commission prior to the current meeting. Speaker of the House David Ralston made a motion to approve the minutes; State Auditor Greg Griffin seconded the motion and was approved by all members.

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**REQUEST OF THE STATE ROAD AND TOLLWAY AUTHORITY ("SRTA") SEEKING APPROVAL BY RESOLUTION OF: (1) THE ISSUANCE OF SRTA FIRST LIEN TOLL REVENUE BONDS; (2) THE INCURRENCE OF A TIFIA LOAN; AND (3) THE ISSUANCE OF A SRTA SECOND LIEN TIFIA BOND TO SECURE SUCH TIFIA LOAN.**

3. Chairman and Chief Executive Officer Governor Nathan Deal called on Executive Director Chris Tomlinson to present the request on behalf of the State Road and Tollway Authority ("SRTA").

4. Mr. Tomlinson asked the Commission to turn to the tab labeled "Northwest Corridor" in their briefing book. Mr. Tomlinson referred the Commission to the presentation enclosed in the briefing book. He said that SRTA is very excited to be at this stage of the project; that SRTA has formally received an invitation to apply for a TIFA loan, which is a critical step in the process and an honor that Georgia was invited to apply to a very popular and generally oversubscribed program of the federal government. He further noted that Georgia is one of a select few states that has shown a project to be credit worthy enough to be considered for this type of loan. Mr. Tomlinson explained the Northwest Corridor is an approximately 30 mile long reversible barrier-separated managed lane P3 project to be entered into by GDOT and SRTA. This project's function will be to add new access points and two reversible managed lanes on the I-75 north corridor. He stated that this is new capacity where all the existing general purpose lanes will remain in place. This project will provide motorists in this heavy congested corridor a new option for a more reliable and faster trip time in this corridor.

Mr. Tomlinson asked the Commission to approve SRTA's Bond Resolution, authorizing:

- Issuance of SRTA's Bonds
  - First Lien Toll Revenue Bonds: Principal Amount of \$10 million, at an interest rate to not exceed 10%, and the final maturity of July 1, 2058.
  - TIFIA Second Lien Bonds/TIFIA Loan: Principal amount to not exceed \$275 million, at an interest rate to not exceed 5%, and a final maturity of no later than November 1, 2053.
- Execution of Toll Revenue Bond Master Indenture
- Execution of TIFIA Loan Agreement
- Authorization for Validation

5. With no further discussion a motion was made by Attorney General Sam Olens, Speaker David Ralston seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of SRTA.

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 26, 2013, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 09X26-01/13.*

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**REQUEST OF THE JEKYLL ISLAND STATE PARK AUTHORITY SEEKING APPROVAL BY RESOLUTION TO OBTAIN ADDITIONAL FINANCING TO COMPLETE PHASE I OF THE RETAIL VILLAGE DEVELOPMENT PROJECT.**

6. Chairman and Chief Executive Officer Governor Nathan Deal called on Jekyll Island Authority Director C. Jones Hooks. Mr. Hooks requested the Commission to approve an additional \$1.5 million beyond the \$4.0 million OneGeorgia loan previously approved by the Commission. The \$1.5 million is needed to complete Phase I which will accommodate much of the core retail on the island which is currently housed in transitional and temporary space. Of the 32,000 square feet of planned space in Phase I, 26,450 square feet is already committed to 13 vendors. He noted that adjacent to the new Jekyll Island Convention Center, Phase I will open in conjunction with the new 200-room Westin Jekyll Island hotel in fall of 2014.

7. Mr. Hooks stated that the Jekyll Island Authority Board met on September 16, 2013 to request the Commission's approval to seek, negotiate, and execute a loan of a principal amount of no greater than \$1.5 million, with no greater than 20 years maturity, and an interest rate no greater than 6%.

8. Proforma financials have been run which show adequate debt service coverage to support the existing debt and the additional \$1.5 million request. He informed the Commission that the Jekyll Island Authority will initially pursue a loan with OneGeorgia Authority, but will also consider a loan with a financial institution, if needed. Mr. Jones informed the Commission that GSFIC staff will be involved in the bidding process and review and selection of the financial institution (if needed) and communicate final results back to the Commission members.

9. With no further discussion a motion was made by Speaker of the House David Ralston and seconded by State Treasurer Steve McCoy and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of the Jekyll Island State Park Authority

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 26, 2013, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 09X26-02/13.*

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**REQUEST OF THE GOVERNOR'S OFFICE OF PLANNING AND BUDGET TO APPROVE BY RESOLUTION REQUESTS TO REDIRECT BOND PROCEEDS.**

10. Chairman and Chief Executive Officer Governor Nathan Deal called on Diana Pope of the Financing and Investment Division of the Commission to present the request on behalf of Governor's office of Planning and Budget.

11. Ms. Pope asked the Commission to turn their attention to the tab labeled "Redirect Requests" in their briefing books. She informed the Commission that there are three redirects requests of \$250,000 or greater, requiring Commission approval to comply with the redirection policy adopted by the Commission on October 4, 2012. The Office of Planning and Budget and Commission staff have reviewed the requests and found the circumstances for these redirections to be justified and appropriate.

12. Ms. Pope introduced the first redirect request for the Department of Natural Resources. She explained that in December 2012 GSFIC sold \$5 million of tax-exempt bonds for a taxable FY2013 authorization for improvement at privately operated facilities. The purpose of this request is to redirect those

tax-exempt bonds to be used for tax-exempt purposes.

13. Ms. Pope pointed out that in March 2013 a redirect request was approved to transfer \$2.13 million from that project to renovate space on Capitol Hill for EPD. The remaining \$2.87 million that is being requested is to be used for facility improvement and renovations. Ms. Pope noted that GSFIC sold \$25.4 million as taxable for Department of Natural Resources in the last June 2013 sale and those bonds will fund improvements at privately operated facilities.

14. With no further discussion, a motion to approve the redirect request was made by State Auditor Greg Griffin, seconded by Speaker of the House David Ralston and passed unanimously by all members present; the Commission adopted the following resolution in regards to the approval of this redirection for the Department of Natural Resources.

*NOTE: The resolutions prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolutions and a copy of the documents referred to in the resolution under the date of September 26, 2013, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 09X26-3/13.*

15. Ms. Pope then introduced to the Commission the two redirect requests for the Department of Juvenile Justice (“DJJ”), both of which are in response to Juvenile Justice Reform as it relates to DJJ remissioning several YDCs. Summaries of the requests are provided in the briefing books.

16. The first redirect request for DJJ involves funding from two projects for the Muscogee YDC (DCY-99 and DCY-100). The funds are being requested to be redirected to provide design funds to renovate the Terrell Probation Detention Center. Originally, DCY-99 provided \$445,000 in design funds for housing and DCY-100 provided \$100,000 in design funds for Muscogee YDC’s Vocational Education building. The Muscogee YDC will now house a post-GED youth population which will no longer require the replacement of existing housing and will allow youth to utilize existing classrooms for vocational education. The total of \$545,000 is being requested to be redirected to what DJJ will refer to as the Terrell RYDC which will replace the Albany RYC.

17. The next redirect request for DJJ involves funding from two projects for the Macon YDC (DCY-88 and DCY-101). The funds are being requested to be redirected to provide design funds to renovate

the Wilkes Pre-release Center.

18. DCY-88 provided design funds for the Administration and Multipurpose building and DCY-101 provided design funds for housing. DJJ's latest facility master plan does not support funding the administration and multipurpose building or additional housing at the Macon YDC. A total of \$404,536 is being requested to be redirected to provide funding for what DJJ will refer to as the Wilkes RYDC which will replace the Sandersville RYDC.

19. With no further discussion a motion was made by the Speaker of the House David Ralston and seconded by Attorney General Sam Olens and passed unanimously by all members present. The Commission adopted the following resolutions in regards to the approval of this redirection requests for the Department of Juvenile Justice.

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 26, 2013 for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 09X26-4/13 and ODR 09X26-5/13*

20. Ms. Pope also asked the Commission to review the Informational Item for redirect items less than \$250,000 that were approved by OPB and GSFIC staff since the last June 26 Commission meeting. There were no questions.

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**EXECUTIVE SESSION REQUESTED FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION ISSUES**

12. Chairman and Chief Executive Officer, Governor Nathan Deal, informed the Commission of a request to hold an Executive Session and asked everyone except the members and those involved in this executive session to vacate the conference room until the executive session ended.

13. Attached to these minutes is the notarized Code Section 50-14-2(1) of the Official Code of Georgia, Open and Public Meetings identified as Affidavit Supporting Closing of Public Meeting, Exhibit "A".

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**CLOSE OF CALLED OPEN COMMISSION MEETING**

14. The Called Meeting was closed at approximately 10:27 A.M.

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**OPENING OF THE EXECUTIVE SESSION**

13. The Executive session began at approximately 10:28 A.M. The following persons were present in Executive Session:

Governor Nathan Deal, Chairman and Chief Executive Officer, presiding; State Auditor Greg Griffin, Secretary and Treasurer; Speaker of the House David Ralston; Attorney General Sam Olens and State Treasurer Steve McCoy, Wright Banks and Lisa Javorka of the Attorney General's Office; George Reid, Reid Firm LLP, Bond Counsel for the Construction Division of the Commission; Director Diana Pope, Angela Jackson and Kelly Zurbrugg of the Financing and Investment Division of the Commission; Marvin Woodward, State Property Deputy Officer and Deputy Director of the Construction Division, Christy Sanders of the Construction Division of the Commission; Steven L. Stancil, Construction Division Director and Executive Secretary of the Commission.

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**CLOSE OF EXECUTIVE SESSION**

14. The Executive Session closed at approximately 10:34 A.M. and the parties previously attending the open meeting were invited to rejoin the meeting.

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**REOPENING OF THE CALLED OPEN COMMISSION MEETING**

15. The open meeting was re-opened at approximately 10:35 P.M.

16. Chairman and Chief Executive Officer, Nathan Deal stated for the record that pending litigation issues were discussed.

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**DISCUSSION OF THE PENDING LITIGATION ISSUES DURING THE EXECUTIVE SESSION**

17. Attorney General Sam Olens made a motion to adopt the legal advice relating to the pending litigation issues discussed and as determined by the Commission during the closed executive session and that

the Construction Division of the Commission be given the authority to enter into mediation as discussed in the closed session.

18. The motion was seconded by Speaker of the House David Ralston, and passed unanimously by all members present.

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**NEW BUSINESS**

19. Chairman and Chief Executive Officer, Governor Nathan Deal, asked if there was any new business for discussion. No one responded in the affirmative to his question.

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**ADJOURNMENT**

17. With no further business and upon a motion made by Speaker of the House David Ralston seconded by State Auditor Greg Griffin and unanimously adopted, the Chairman and Chief Executive Officer, Governor Nathan Deal declared the meeting adjourned at approximately 10:39 P.M.



STEVEN L. STANCIL, EXECUTIVE SECRETARY



GOVERNOR

STATE OF GEORGIA

COUNTY OF FULTON

**AFFIDAVIT SUPPORTING CLOSING  
OF PUBLIC MEETING**

The Georgia Open Meetings Act, O.C.G.A. § 50-14-1 *et seq.*, requires that all meetings of an entity covered by the statute must be open to the public unless there is some specific statutory exception which permits the closing of the meeting. If such a meeting is to be closed, the law requires that the presiding person execute a sworn affidavit stating that the subject matter of the meeting or the closed portion thereof was devoted to matters within the statutory exceptions and identifying those specific exceptions relied upon. O.C.G.A. §§50-14-4(b) and 50-14-3. A copy of this affidavit must be filed with the minutes of the meeting in question.

**Comes now Nathan Deal, the presiding officer identified below and, before an official duly authorized to administer oaths, makes this affidavit in satisfaction of the statutory requirements outlined above.**

1. I am the chairman of the Georgia State Financing and Investment Commission.
2. I am over the age of 18 and in all other aspects competent to make this sworn statement. I acknowledge that I am giving this statement under oath and penalty of perjury and that I have read the contents of this affidavit prior to signing it.
3. On September 26, 2013, this entity, which is subject to the Open Meetings Act, met. A majority of the quorum of the members present voted to close the meeting or a portion thereof for the following indicated reason(s). I hereby certify that during the closed portion of the meeting, only those subjects indicated below were discussed. I also certify that I have reviewed the exceptions provided under the Open Meetings Act that may permit the closing of a meeting and that, to the best of my knowledge, the reasons I have described in detail below meeting the requirements for closing this public meeting.
4. The legal authority for the closure of this meeting was Section 50-14-2(1) of the Official Code of Georgia Annotated.
5. The subject(s) discussed and the underlying facts supporting the closing of this meeting are **potential litigation issues**
6. The motion to close the meeting was made by Sam Olens. The motion to close the meeting was seconded by Speaker David Ralston. A majority of a quorum present at the meeting voted for closure.
7. The names of the members present were Governor Nathan Deal

Stat. Auditor Greg Griffin, Speaker David Ralston, Attorney General Samuel Olens, Director Steve McCoy, Commissioner Gary Black (by phone).

The names of those members voting for closure were Governor Nathan Deal, State Auditor Greg Griffin, Speaker David Ralston, Attorney General Samuel Olens, Director Steve McCoy, Commissioner Gary Black (BYPhone).

FURTHER THE AFFIANT SAYETH NOT.

Nathan Deal

NATHAN DEAL  
Chairman, Georgia State Financing and  
Investment Commission

Sworn and subscribed before me

This 26th day of September, 2013.

Kelly A Zurbrug  
NOTARY PUBLIC

