

**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY**

**MINUTES OF THE MARCH 13, 2015 SPECIAL MEETING**

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Friday, March 13, 2015 at 10:00 a.m. CST (9:00 a.m. MST), via telephone conference call. Mr. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present: Mr. Dave Fleck  
Mr. Gene Lebrun  
Mr. Norbert Sebade  
Mr. Mack Wyly

Absent: Mr. Alan "Dick" Dempster  
Mr. William Lynch  
Mr. Dave Timpe

Other staff and representatives of the Authority and other parties present were:

Donald Templeton, Executive Director  
Vance Goldammer, General Legal Counsel  
Dustin Christopherson, Associate Director  
Steve Corbin, Finance Officer  
Bruce Bonjour, Perkins Coie  
Toby Morris, Dougherty and Company  
Jeff Holcomb, Southeast Technical Institute  
Richard Kluin, Southeast Technical Institute  
Tim Engel, May, Adam, Gerdes and Thompson, LLP  
Megan Mercer, Office of Risk Management

The Chairman declared a quorum and called the meeting to order. The notice of the meeting dated March 6, 2015 was posted on the Authority door prior to the meeting (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the January 30, 2015 special meeting. Mr. Gene Lebrun moved to approve the minutes as presented, seconded by Mr. Mack Wyly. All members present voted aye, motion carried.

## **Technical Education Series 2015C – Southeast Technical Institute**

Mr. Templeton reviewed the Series 2015C bonds not to exceed \$20 million to finance the following projects at Southeast Technical Institute: the acquisition, construction, and certain related costs associated with a transportation technology center to house various technical programs, including diesel, auto, and auto body collision programs and other facility improvements necessary for other programs. In addition, proceeds of the Series 2015C Bonds will fund costs of issuance, and a deposit to the debt service reserve fund.

Mr. Templeton reviewed the projected sources and uses of funds, along with the projected interest rates and the costs of issuance. The Board discussed the costs of issuance which included a \$10,000 South Dakota Health and Educational Facilities Authority application fee.

Mr. Templeton explained the Preliminary Official Statement, the program revenues and expenses. The Debt Service coverage requirement of 1.03 times was discussed in detail along with the projected coverage. The expected Full Time Equivalent student number dropped from 6,030 last fiscal year to an expected 5,871 this current fiscal year (2015).

The Moody's rating of Aa2 and the Fitch rating of AA were reviewed.

Mr. Bruce Bonjour reviewed the Resolution (*see Attachment #2*). Mr. Mack Wyly moved to approve the Resolution, Mr. Gene Lebrun seconded and upon roll call, the ayes were Fleck, Lebrun, Sebade, and Wyly; nays: none; abstain: none.

## **Captive Insurance Summary**

Mr. Tim Engel reviewed the Captive Insurance Summary and reported that the Legislature funded \$2 million to capitalize cell #2, which South Dakota Health and Educational Facilities Authority and 4 other authorities are a part of.

## **Adjournment**

The Chairman stated there being no further business at this meeting, the meeting adjourned at 10:50 a.m.



**Date:** March 6, 2015

**To:** Members of the South Dakota Health and Educational Facilities Authority

**From:** Don A. Templeton, Executive Director

**Re:** Notice of Special Meeting

You are hereby notified that the Chairman has set Friday, March 13, 2015 as the meeting date for the special meeting of the South Dakota Health and Educational Facilities Authority to be held via telephone conference call at 10:00 a.m. CST (9:00 a.m. MST).

You may participate in the meeting by dialing **1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.**

The following members have indicated they will be available for the meeting:

Gene Lebrun  
Bill Lynch

Norbert Sebade  
Dave Fleck

Mack Wyly  
Dave Timpe

Attached is an agenda and information on agenda items.

**Cc:** Vance Goldammer, Murphy, Goldammer & Prendergast, LLP  
Bruce Bonjour, Perkins Coie, LLP  
Jack Arnold, Dougherty & Company, LLC  
Toby Morris, Dougherty & Company, LLC  
Jeff Holcomb, Southeast Technical Institute Tech  
Richard Kluin, Southeast Technical Institute Tech

**RESOLUTION authorizing the issuance and sale of the South Dakota Health and Educational Facilities Authority Vocational Education Program Revenue Bonds, Series 2015C, authorizing the execution and performance of a Supplemental Indenture of Trust and a Supplement to Lease Purchase Agreement to secure such Series 2015C Bonds, authorizing the execution and performance of the Bond Purchase Agreement in connection therewith, authorizing distribution of a Preliminary Official Statement and an Official Statement relating to the Series 2015C Bonds, and authorizing execution, performance and delivery of other documents, certificates and instruments in connection therewith.**

### RECITALS

**WHEREAS**, the South Dakota Health and Educational Facilities Authority (the “*Authority*”) has been created by the South Dakota Health and Educational Facilities Authority Act, as amended (the “*Act*”);

**WHEREAS**, the Authority is authorized pursuant to the Act to issue revenue bonds and acquire vocational education facilities to be leased to and purchased by the State Board of Education (the “*Board*”) and/or certain participating institutions under Chapter 13-39, SDCL;

**WHEREAS**, to secure the bonds of the Authority issued for such purposes, the Act authorizes the Authority to pledge payments to be made to the Authority pursuant to lease or leases;

**WHEREAS**, Title 13, SDCL establishes the postsecondary technical institutes facilities fund (the “*Technical Institutes Facilities Fund*”) and provides that (i) the State Treasurer or others may pledge earnings on the Technical Institutes Facilities Fund and (ii) the Board may pledge certain amounts of tuition and other student fees required to be paid to the Treasurer and deposited into the Tuition Subaccount;

**WHEREAS**, the Authority has established a program (the “*Program*”) whereby the Board may lease purchase post-secondary vocational technical education facilities from the Authority and sublease such facilities to the Participating Institutions;

**WHEREAS**, the Authority and the Board have heretofore entered into a Lease Purchase Agreement dated as of August 1, 1988 (the “*Original Lease*”), as supplemented by various Supplements through and including a Nineteenth Supplement to Lease Purchase Agreement dated as of March 1, 2015 and certain Omnibus Amendments dated as of May 1, 2011 (collectively, as so supplemented and amended, together with the Twentieth Supplement to Lease Purchase Agreement described further below, the “*Lease*”) pursuant to which the Board is leasing with an option to purchase certain facilities the acquisition and/or improvement and equipping of which was financed or refinanced in part or in whole with the proceeds derived from the issuance and sale by the Authority of its Vocational Education Program Revenue Bonds, Series 1988 in the original principal amount of \$11,120,000 (the “*Series 1988 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1990 in the original principal amount

of \$1,315,000 (the “*Series 1990 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1992 in the original principal amount of \$8,785,000 (the “*Series 1992 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1993 in the original principal amount of \$9,780,000 (the “*Series 1993 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1997 in the original principal amount of \$10,365,000 (the “*Series 1997 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1998 in the original principal amount of \$4,705,000 (the “*Series 1998 Bonds*”), its Vocational Education Program Revenue Bonds, Series 1999 in the original principal amount of \$7,135,000 (the “*Series 1999 Bonds*”), its Vocational Education Program Revenue Bonds, Series 2004 in the original principal amount of \$6,265,000 (the “*Series 2004 Bonds*”), its Vocational Education Program Revenue Bonds, Series 2007 in the original principal amount of \$8,805,000 (the “*Series 2007 Bonds*”), its Vocational Education Program Revenue Bonds, Series 2008 in the original principal amount of \$19,465,000 (the “*Series 2008 Bonds*”), its Vocational Education Program Revenue Bonds, Series 2010A and Series 2010B in the original principal amount of \$23,590,000 (collectively, the “*Series 2010A&B Bonds*”), its Taxable Vocational Education Program Revenue Bonds, Series 2010C (Build America Bonds) in the original principal amount of \$12,605,000 (the “*Series 2010C Bonds*”), its Vocational Education Program Revenue Bonds, Series 2011A in the original principal amount of \$20,140,000 (the “*Series 2011A Bonds*”), its Vocational Education Program Revenue Bonds, Series 2012A in the original principal amount of \$18,810,000 (the “*Series 2012A Bonds*”), its Vocational Education Program Revenue Bonds, Series 2014A in the original principal amount of \$1,790,000 (the “*Series 2014A Bonds*”), its Vocational Education Program Refunding Revenue Bonds, Series 2015A in the original principal amount of \$20,590,000 (the “*Series 2015A Bonds*”), its Vocational Education Program Revenue Bonds, Series 2015B in the original principal amount of \$16,050,000 (the “*Series 2015B Bonds*” and, together with the Series 1988 Bonds, Series 1990 Bonds, Series 1992 Bonds, Series 1993 Bonds, Series 1997 Bonds, Series 1998 Bonds, Series 1999 Bonds, Series 2004 Bonds, Series 2007 Bonds, Series 2008 Bonds, Series 2010A&B Bonds, Series 2010C Bonds, Series 2011A Bonds, Series 2012A Bonds, Series 2014A, and its Series 2015A Bonds and Series 2015C Bonds described below, and any parity bonds issued in the future, the “*Bonds*”);

**WHEREAS**, the Authority issued the Series 1988 Bonds pursuant to an Indenture of Trust dated as of August 1, 1988 (the “*Original Indenture*”) between the Authority and The First National Bank in Sioux Falls, as Trustee (the “*Trustee*”). The Authority issued the Series 1990 Bonds pursuant to the Original Indenture as amended and supplemented by the First Supplemental Indenture of Trust dated as of May 1, 1990 between the Authority and the Trustee (the “*First Supplemental Indenture*”). The Authority issued the Series 1992 Bonds pursuant to the Original Indenture as amended and supplemented by the Second Supplemental Indenture of Trust dated as of December 15, 1992 between the Authority and the Trustee (the “*Second Supplemental Indenture*”). The Authority issued the Series 1993A Bonds pursuant to the Original Indenture as amended and supplemented by the Third Supplemental Indenture of Trust dated as of August 1, 1993 between the Authority and the Trustee (the “*Third Supplemental Indenture*”). The Authority issued the Series 1993B Bonds pursuant to the Original Indenture as amended and supplemented by the Fourth Supplemental Indenture of Trust dated as of August 1, 1993 between the Authority and the Trustee (the “*Fourth Supplemental Indenture*”). The Authority issued the Series 1997 Bonds pursuant to the Original Indenture as amended by the Fifth Supplemental Indenture of Trust dated as of December 1, 1997 between the Authority and the Trustee (the “*Fifth Supplemental Indenture*”). The Authority issued the Series 1998 Bonds

pursuant to the Original Indenture as amended and supplemented by the Sixth Supplemental Indenture of Trust dated as of May 1, 1998 between the Authority and the Trustee (the “*Sixth Supplemental Indenture*”). The Authority issued the Series 1999 Bonds pursuant to the Original Indenture as amended and supplemented by the Seventh Supplemental Indenture of Trust dated as of June 1, 1999 between the Authority and the Trustee (the “*Seventh Supplemental Indenture*”). The Authority issued the Series 2004 Bonds pursuant to the Original Indenture as amended and supplemented by the Eighth Supplemental Indenture of Trust dated as of December 1, 2004 between the Authority and the Trustee (the “*Eighth Supplemental Indenture*”). The Authority issued the Series 2007 Bonds pursuant to the Original Indenture as amended and supplemented by the Ninth Supplemental Indenture of Trust dated as of November 1, 2007 between the Authority and the Trustee (the “*Ninth Supplemental Indenture*”). The Authority issued the Series 2008 Bonds pursuant to the Original Indenture as amended and supplemented by the Tenth Supplemental Indenture of Trust dated as of September 1, 2008 between the Authority and the Trustee (the “*Tenth Supplemental Indenture*”). The Authority issued the Series 2010A&B Bonds pursuant to the Original Indenture as amended and supplemented by the Eleventh Supplemental Indenture of Trust dated as of July 1, 2010 between the Authority and the Trustee (the “*Eleventh Supplemental Indenture*”), as subsequently amended by certain Omnibus Amendments dated as of May 1, 2011. The Authority issued the Series 2010C Bonds pursuant to the Original Indenture as amended and supplemented by the Twelfth Supplemental Indenture of Trust dated as of November 1, 2010 between the Authority and the Trustee (the “*Twelfth Supplemental Indenture*”). The Authority issued the Series 2011A Bonds pursuant to the Original Indenture as amended and supplemented by the Thirteenth Supplemental Indenture of Trust dated as of August 1, 2011 between the Authority and the Trustee (the “*Thirteenth Supplemental Indenture*”). The Authority issued the Series 2012A Bonds pursuant to the Original Indenture as amended and supplemented by the Fourteenth Supplemental Indenture of Trust dated as of August 1, 2012 between the Authority and the Trustee (the “*Fourteenth Supplemental Indenture*”). The Authority issued the Series 2014A Bonds pursuant to the Original Indenture as amended and supplemented by the Fifteenth Supplemental Indenture of Trust dated as of June 1, 2014 between the Authority and the Trustee (the “*Fifteenth Supplemental Indenture*”). The Authority issued the Series 2015A Bonds pursuant to the Original Indenture as amended and supplemented by the Sixteenth Supplemental Indenture of Trust dated as of February 1, 2015 between the Authority and the Trustee (the “*Sixteenth Supplemental Indenture*”). The Authority issued the Series 2015B Bonds pursuant to the Original Indenture as amended and supplemented by the Seventeenth Supplemental Indenture of Trust dated as of March 1, 2015 between the Authority and the Trustee (the “*Seventeenth Supplemental Indenture*”). The Original Indenture as subsequently amended and supplemented from time to time is referred to herein as the “*Indenture*”:

**WHEREAS**, pursuant to the Authority’s Program in order to provide a credit against Lease Rentals owed by the Board under the Lease Purchase Agreement as heretofore amended and supplemented, all Participating Institutions have heretofore entered into the Amended and Restated Facility Fee Tuition Collection and Deposit Agreement dated as of September 1, 2008 (the “*Collection Agreement*”) with the Board, the South Dakota Treasurer (the “*Treasurer*”) and The First National Bank in Sioux Falls, as Escrow Holder (the “*Escrow Holder*”), providing for the collection of Facility Fees on a current basis (no less frequently than quarterly) and the deposit of such Facility Fees to the Tuition Subaccount (an account of the Treasurer’s maintained with the Escrow Holder);

**WHEREAS**, the Authority, the Escrow Holder, the Board, and the Treasurer have entered into a general Pledge and Escrow Agreement, dated as of April 1, 1988 (as amended and supplemented from time to time, the “*Pledge Agreement*”);

**WHEREAS**, executed counterparts or copies of the Indenture, the Pledge Agreement, the Lease, each sublease between the Board and each Participating Institution (each a “*Sublease*”) and all related documents and instruments heretofore executed and delivered in connection with the Program are on file with the Authority (herein, as amended and supplemented from time to time, the “*Program Documents*”);

**WHEREAS**, pursuant to Section 5 of Chapter 6 of the 2013 Session Laws (HB 1098), the South Dakota Legislature has approved the issuance of obligations by the Authority in a principal amount not to exceed \$20,000,000 in order to finance certain improvements (collectively, the “*Authorized Project*”) for lease to Sioux Falls School District No. 49-5 (the “*Series 2015C Tenant*”): namely, “the acquisition, construction, and other costs associated with a transportation technology center to house various technical programs, including diesel, auto, and auto body collision programs and other facility improvements necessary for other programs”;

**WHEREAS**, the Authority proposes to issue and sell its Vocational Education Program Revenue Bonds, Series 2015C (the “*Series 2015C Bonds*”) in a principal amount sufficient, together with other available monies, to finance some or all of the proposed improvements for use by the Series 2015C Tenant for the project identified on Exhibit A attached hereto (the “*Series 2015C Project*”) and to pay costs of issuing and of funding the Debt Service Reserve Fund for the Series 2015C Bonds;

**WHEREAS**, the Series 2015C Tenant has represented that the Series 2015C Project corresponds to the Authorized Project, the financing of which with obligations of the Authority was approved by the South Dakota Legislature in Section 5 of Chapter 6 of the 2013 Session Laws (HB 1098);

**WHEREAS**, Section 3.07 of the Original Indenture authorizes the issuance of Additional Bonds (as defined therein) by the Authority from time to time in accordance with the provisions thereof for various purposes, including (i) refunding of any series of Outstanding Bonds, any maturity of any series of Outstanding Bonds or any Related Amount of Series Bonds within a series of Bonds by depositing with the Trustee, in trust for the sole benefit of such Bonds, noncallable “Eligible Investments” (as defined in the Original Indenture) which will, together with the income or increment to accrue thereon without consideration of any reinvestment thereof, be sufficient to pay or redeem (when redeemable) and discharge the indebtedness of all Bonds to be refunded at or before their respective maturity dates; (ii) obtaining funds to make the required deposit to the Debt Service Reserve Fund, and (iii) obtaining funds for any other purpose permitted under the Act, provided that any Facilities acquired within proceeds of such Additional Bonds shall become part of the Facilities and shall be subject to the Lease;

**WHEREAS**, pursuant to 1-16A-95, beginning on July 1, 2013, and except for certain refunding obligations, the issuance of any additional bonds, notes, or other obligations of the Authority which are payable out of receipts, rentals, and other payments made pursuant to lease

purchase agreements with the Participating Institutions or the Board under the authority of chapter 13-39 shall be approved by the South Dakota Legislature before issuance;

**WHEREAS**, the Authority has been presented with drafts of a Preliminary Official Statement, a Supplemental Indenture between the Authority and The First National Bank in Sioux Falls, a Supplemental Lease Purchase Agreement between the Authority and the Board, a Supplement to Sublease between the Board and the Series 2015C Tenant, and a Bond Purchase Agreement among the Board, the Authority and Dougherty & Company LLC (the “Underwriter”) (the “*Preliminary Official Statement*”, the “*Supplemental Indenture*”, the “*Lease Supplement*”, the “*Sublease Supplement*”) and the “*Bond Purchase Agreement*,” respectively) in forms substantially similar to those used for the Program in past transactions, as modified, revised or supplemented in the manner herein provided or contemplated; and

**WHEREAS**, in furtherance of the foregoing, it shall be necessary for the Authority and other parties to execute, deliver and approve, as applicable, (i) the Lease Supplement, (ii) the Supplemental Indenture, (iii) the Bond Purchase Agreement, (iv) the Sublease a Supplement, and (v) a Continuing Disclosure Agreement with respect to the Series 2015C Bonds (the “*Continuing Disclosure Agreement*” and together with the documents described in (i), (ii), (iii) and (iv), the “*Series 2015C Bond Documents*”);

**NOW, THEREFORE, Be It Resolved by the South Dakota Health and Educational Facilities Authority as follows:**

Section 1. Findings. The Authority hereby makes the following findings and determinations:

(a) All of the components of the Series 2015C Project are included in the Authorized Project described in Section 5 of Chapter 6 of the 2013 Session Laws (HB 1098).

(b) The Series 2015C Project shall be leased to the Board and subleased to the Series 2015 Tenant for operation by the Series 2015 Tenant. The Series 2015C Tenant is a Participating Institution, and the sublease of the Series 2015C Project to the Series 2015C Tenant, and the operation of such property by the Series 2015C Tenant, will serve the public purposes of the Program.

(c) The Authority is authorized pursuant to Chapter 1-16A, SDCL, to act on behalf of the government of the State of South Dakota to issue revenue bonds to finance and refinance vocational education facilities in the State, including the issuance of bonds for the purposes of refinancing or refunding existing bonds, notes or other obligations.

(d) Prior to the issuance of the Series 2015C Bonds, and as provided in Section 1-16A-93, the Board of Education has heretofore determined that the estimated receipts, rentals, and other payments, including appropriations by the South Dakota Legislature, student fee payments, and other balances and revenues pledged under the Indenture or any other agreement or arrangement with respect to outstanding Bonds will not be less than one hundred three percent (103%) of the projected scheduled payments of principal and interest on all outstanding Bonds.

(e) Section 1-16A-93 provides that the Authority may conclusively rely upon the determination of the State Board of Education described above.

(f) In accordance with Section 1-16A-95, the Series 2015C Bonds have been authorized to finance the Series 2015C Project by the South Dakota Legislature.

Section 2. Series 2015C Bonds. The Series 2015C Bonds shall be issued pursuant to the Indenture as amended and supplemented by the Supplemental Indenture. The Series 2015C Bonds are hereby authorized to be issued in fully registered form in an aggregate principal amount of not to exceed \$20,000,000 of Series 2015C Bonds with such maturities and interest rates to be finally determined by the officers executing and delivering the Supplemental Indenture and the Bond Purchase Agreement, *provided* that an Authorized Officer (as defined below) determine that the Series 2015C Bonds will bear interest at rates resulting in a yield for arbitrage purposes not in excess of 5.00% per annum with a final stated maturity of no later than August 1, 2035) the purchase price of the Series 2015C Bonds to be paid by the underwriter will be not less than 97.50% of the principal amount of the Series 2015C Bonds (taking into account the underwriter's discount); the underwriter's discount (as measured as a percentage of total proceeds of the Series 2015C Bonds) shall not exceed 0.50%; *provided further* that the written determination of an Authorized Officer to such effect shall constitute absolute, irrevocable conclusive evidence of the validity of the Series 2015C Bonds and other instruments described herein. The Series 2015C Bonds shall be designated "South Dakota Health and Educational Facilities Authority Vocational Education Program Revenue Bonds, Series 2015C." The form of the Series 2015C Bonds and trustee's certificate of authentication shall be substantially in the form of the draft of the Supplemental Indenture on file with the Executive Director, with such additions or other modifications to such designation as any Authorized Officer may deem necessary or appropriate.

Series 2015C Bonds shall have a date of initial issuance as specified in Section 2.02 of the Supplemental Indenture. Thereafter, the Series 2015C Bonds shall be dated as set forth in the specimen form of Bond approved hereby. The Series 2015C Bonds shall mature on August 1 in the years and in the principal amounts, and shall bear interest from the date thereof at the rates, and shall be payable semiannually on February 1 and August 1 of each year, until final payment of the principal thereof, all as specified in the Bond Purchase Agreement and Section 2.02 of the Supplemental Indenture. The Series 2015C Bonds shall be issued in the denominations specified in Section 2.02 of the Supplemental Indenture. The Trustee is hereby appointed the Paying Agent for the Series 2015C Bonds. The place of payment of the principal or redemption price of and interest on the Bonds shall be as provided in the Indenture.

The Series 2015C Bonds shall be subject to redemption prior to their maturity at the option of the Authority in whole or in part on any Interest Payment Date, at such redemption price and on such dates as shall be approved by the officers executing the Series 2015C Bonds and the Supplemental Indenture, such redemption to be as otherwise provided in Article II of the Supplemental Indenture. Any Series 2015C Term Bonds (as identified in the Bond Purchase Agreement and the Supplemental Indenture) shall be redeemed prior to maturity by payment of Sinking Fund Installments (as specified in the Supplemental Indenture based upon the parameters established in this Resolution), upon notice, as provided in Article II of the Supplemental Indenture, on each of the dates and in the respective principal amounts specified in

the Bond Purchase Agreement, in each case at a redemption price of 100% of the principal amount of such Term Bonds or portions thereof to be so redeemed, together with accrued interest to the redemption date as set forth in the form of Series 2015C Bond approved hereby. Except as otherwise provided herein, all Series 2015C Bonds shall be redeemed in accordance with the Supplemental Indenture.

The Related Amount of Series 2015C Bonds shall be as provided in Exhibit D to the Lease Supplement and Section 2.16 of the Original Indenture as amended by the Supplemental Indenture.

The Authority hereby covenants and agrees to cause the Lease Supplement to require that the Board comply, and that the Board will cause each applicable Participating Institution to comply, with all applicable terms and conditions of the Internal Revenue Code of 1986, as amended (the “Code”) in order to preserve the tax-exempt status for federal income tax purposes of interest on the Series 2015C Bonds.

Section 3. Application of Bond Proceeds. The proceeds of the sale and delivery of the Series 2015C Bonds shall be deposited in the Funds and Accounts as specified in Article IV of the Supplemental Indenture.

Section 4. Supplemental Indenture, Lease Supplement, and Continuing Disclosure Agreement. The Series 2015C Bond Documents, including the Supplemental Indenture, Lease Supplement, and the Continuing Disclosure Agreement, in substantially the forms of the drafts currently on file, containing such additions, deletions and substitutions to be made to the text of such forms as hereby determined by the Authority as necessary or desirable in the financing of the Series 2015C Project and related matters, and accomplishment of the purposes of this Resolution, including to pay costs of issuance of the Series 2015C Bonds, are hereby approved. Any member or officer of the Authority is hereby authorized to execute and deliver or accept, as the case may be, the Series 2015C Bond Documents, including the Supplemental Indenture, the Lease Supplement, and the Continuing Disclosure Agreement, together with the definitive Series 2015C Bonds authorized hereunder, in substantially the forms referred to herein with such changes, variations, omissions and insertions as the officer executing such documents shall approve. The execution, to the extent so required, or delivery of each such document by such member shall constitute conclusive evidence of such approval, including the approval of all such changes, variations, omissions and insertions in such documents or instrument contemplated by this Resolution. Any member or officer of the Authority is hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required or provided for by the provisions of Supplemental Indenture, Lease Supplement, and the Continuing Disclosure Agreement, and to execute and deliver all such additional certificates, instruments and documents and to do all such further acts and things as may be necessary or, in the opinion of such member, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Authority with all of the terms, covenants and provisions of said documents, including, without limitation, such certificates, acts and things as may be required by Bond Counsel, to show the facts relating to the legality and marketability of the Series 2015C Bonds and other matters.

Section 5. Bond Purchase Agreement; Preliminary Official Statement and Official Statement. The Bond Purchase Agreement, in substantially the form presented in connection herewith is hereby approved. The Series 2015C Bonds shall be sold and delivered in the manner, at a purchase price and on the terms and conditions set forth in the Bond Purchase Agreement including a purchase price to be approved by the officers executing the Bond Purchase Agreement (but in no event at a purchase price less than 97.50% of the principal amount thereof or with an underwriting discount (measured as a percentage of total proceeds of the Series 2015C Bonds) of more than 0.50%). The distribution of the Preliminary Official Statement in the form on file is hereby authorized. The preparation of the final Official Statement, and its use and distribution, as contemplated by such Bond Purchase Agreement, is hereby approved, ratified and confirmed.

Section 6. Designation of Authorized Officers. The Chairman or the Vice Chairman or other member of the Authority or the Executive Director of the Authority (each, an “*Authorized Officer*” and collectively, the “*Authorized Officers*”) be and hereby are each authorized, empowered and directed (provided only one such signature shall be required) to execute the Series 2015C Bond Documents, including the Supplemental Indenture, Lease Supplement, the Continuing Disclosure Agreement, and any and all other documents, agreements or instruments which such officers deem necessary or appropriate in connection therewith, in the name and on behalf of the Authority to be delivered to the Underwriter, and the Underwriter shall be authorized to use the Preliminary Official Statement and the Official Statement in connection with the sale of the Series 2015C Bonds. The Chairman or the Vice Chairman or other member of the Authority or the Executive Director of the Authority are hereby authorized, empowered and directed (provided only one such signature shall be required) to do all such acts and things necessary to carry out and comply with the provisions of the Official Statement and the Bond Purchase Agreement. The execution, to the extent so required, or delivery of each such document by such member shall constitute conclusive evidence of such approval, including the approval of all such changes, variations, omissions and insertions in such documents as well as the interest rates, maturities, Sinking Fund Installments and other redemption terms and conditions for the Series 2015C Bonds as contemplated by this Resolution and any other change, revision, deletion or addition to any such document or instrument contemplated by this Resolution.

Section 7. Authorization and Ratification of Subsequent Acts. The Members, agents and employees of the Authority, general counsel to the Authority, and Perkins Coie LLP, acting in the capacity as Bond Counsel to the Authority, are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of these resolutions and the documents approved hereby and to develop and implement post-issuance compliance procedures to facilitate compliance with requirements of the Code; and all of the acts and doings of the members, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved. Without limiting the generality of the foregoing, the proper officers of the Authority are hereby also authorized and directed to execute, acknowledge and deliver such certificates, agreements and documents which, in the opinion of Bond Counsel, are necessary to preserve the intended federal income tax treatment of the Series 2015C Bonds.

Section 8. Effective Date. This Resolution shall take effect immediately. If any one or more of the covenants or agreements provided in this Resolution on the part of the Authority or any fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Resolution.

Adopted this 13th day of March, 2015.

EXHIBIT A

Series 2015C Project

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At Southeast Technical Institute,

the acquisition, construction, and certain related costs associated with a transportation technology center to house various technical programs, including diesel, auto, and auto body collision programs and other facility improvements necessary for other programs,

the overall cost of which improvements, including professional fees and other related “soft” costs, is estimated to be approximately \$20,000,000.

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