

**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY**

**MINUTES OF THE SEPTEMBER 18, 2020 SPECIAL MEETING**

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority (SDHEFA) met on Friday, September 18, 2020 at 10:00 a.m. via telephone conference call. Dave Fleck, Vice Chairman, instructed the Secretary to call the roll.

Present:        Roberta Ambur  
                  Dave Fleck  
                  William Lynch  
                  Don Scott  
                  Norbert Sebade  
                  Dave Timpe

Absent:         Jim Scull

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

Vance Goldammer, Redstone Law Firm	Toby Morris, Colliers Securities
Donald Templeton, Executive Director and Secretary	Bruce Bonjour, Perkins Coie
Dustin Christopherson, Associate Director	Amy Cobb Curran, Chapman & Cutler
Steve Corbin, Finance Office	Bill Marlette, Sanford Health
Mark Thompson, Monument Health	John Henningsgard, Piper Sandler
Austin Willuweit, Monument Health	Marcelo Olate, Kaufman Hall

A quorum was declared by the Vice Chairman and the meeting was called to order. The notice of the meeting dated September 1, 2020 was posted at the entrances of the South Dakota Health and Educational Facility Authority prior to the meeting and is on file at the Authority office as well as posted on the Authority & State Board & Commission website.

**Inquiry of the General Public present pursuant to HB 1172**

Vice Chairman Fleck asked if any members of the general public wished to speak. No members of the general public were in attendance.

**Board Member Conflict of Interest and Inquiry of Conflicts of Interest**

Mr. Fleck asked if any Board Members had a Conflict of Interest with any of the current meeting agenda items. Mr. Templeton stated that two written disclosures including request for conflict waiver under

State Law, had been received from board members. The conflicts for Dave Timpe and Jim Scull are listed below.

### **Approval of the Agenda**

A motion was made to approve the agenda by Ms. Ambur, seconded by Mr. Lynch, and upon the roll call, the ayes were Ambur, Fleck, Lynch and Scott. Nays: none; abstain: none; motion carried.

Mr. Sebade joined the call.

### **Approval of the June 22, 2020 Special Meeting Minutes**

The Vice Chairman asked for consideration of the minutes for the June 22, 2020 special meeting. Mr. Scott moved to approve the minutes, seconded by Ms. Ambur, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott and Sebade. Nays: none; abstain: none; motion carried.

### **Dave Timpe Conflict for Monument Health**

Mr. Timpe, as noted above, submitted written disclosure statements and requests for board waivers for the Monument Health agenda item. After full discussion of the nature of the potential conflict as disclosed by Mr. Timpe, the Board made the findings that the conflict was fair, reasonable and not contrary to the public interest.

A motion was made to accept the waiver for Mr. Timpe as it related to the Monument Health agenda item (**Attachment #1**) by Mr. Lynch, seconded by Mr. Scott, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott and Sebade. Nays: none; abstain: none; motion carried.

### **Jim Scull Conflict for Monument Health**

Mr. Scull, as noted above, submitted written disclosure statements and requests for board waivers for the Monument Health agenda item. After full discussion of the nature of the potential conflict as disclosed by Mr. Scull, the Board made the findings that the conflict was fair, reasonable and not contrary to the public interest.

A motion was made to accept the waiver for Mr. Scull as it related to the Monument Health agenda item (**Attachment #2**) by Mr. Scott, seconded by Ms. Ambur, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott and Sebade. Nays: none; abstain: none; motion carried.

### **Monument Health**

Mr. Templeton reviewed the new money bonding of \$115 million and the refunding of the Series 2015 bonds in the approximate amount of \$46 million. He reviewed the Fitch Ratings upgrade from A+ to AA- and the audits from FY-18 and FY-19 and the unaudited FY-20 numbers.

Mr. Thompson reviewed the new money construction projects listed in the Preliminary Official Statement.

Mr. Henningsgard said the expected average interest rate should be 3.53%.

Ms. Curran reviewed the Resolution on file at the Authority Office. Mr. Lynch moved to approve the Resolution, seconded by Mr. Scott, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott and Sebade.

Mr. Timpe joined the call.

### **Sanford Health**

Ms. Curran and Mr. Marlette explained a private bond placement with U.S. Bank in the amount of approximately \$79.3 million for 10 years at 1.52 percent will save Sanford Health approximately \$15 million when the loan refinances the Series 2011 City of Fargo Bonds.

Mr. Templeton reviewed the Sanford Health Financials for FY-18, FY-19 and FY-20.

Ms. Curran reviewed the Resolution on file at the Authority Office. Ms. Ambur moved to approve the Resolution, seconded by Mr. Lynch, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott, Sebade and Timpe.

### **McLaughlin School District**

Mr. Templeton and Mr. Morris reviewed the financials. Mr. Bonjour explained that because McLaughlin School District is not rated, it needs the SDHEFA Board's approval. The School District plans to obtain a loan from Truist Bank at a rate of 1.86 percent, which will save them more than \$550,000.

Mr. Bonjour reviewed the McLaughlin Resolution on file at the Authority Office. Mr. Lynch moved to approve the Resolution, seconded by Mr. Timpe, and upon the roll call, the ayes were Ambur, Fleck, Lynch, Scott, Sebade and Timpe.

### **Adjournment**

The Vice Chairman stated there being no further business at this meeting, the meeting adjourned at 10:44 a.m., CT.

*Please complete this form, sign it and return to us prior to the meeting so we can include your waiver when we discuss it as an agenda item.*

REQUEST FOR STATE BOARD WAIVER  
THIS IS A PUBLIC DOCUMENT

Date: 7-27-20

Name of Board Member or Former Board Member: Dave Timpe

Name of Board, Authority or Commission:

South Dakota Health and Educational Facilities Authority "SDHEFA"

**Brief explanation of your potential conflict of interest:**

I am a member of the Monument Health Finance and Investment Committee. Monument Health has a matter described below which will be pending in front of the members of the SDHEFA for which I also serve as a member.

**Brief explanation of the current or anticipated business transaction with a State agency or with a political subdivision of the State and your role in the transaction:**

Monument Health requests bonding through SDHEFA. SDHEFA will consider this request.

**Brief explanation of the essential terms of the contract or transaction:**

Monument Health plans to bond for new money projects and refund some existing bonds.

**Brief explanation of why you believe a waiver should be granted:**

It is in the best interests of Monument Health and the citizens of the State of South Dakota that the transaction be completed to promote the health and welfare of the citizens of the State of South Dakota. I have opted to abstain from discussion and vote. This proposed business transaction is fair, reasonable, and not contrary to the public interest.

Signature of Person Requesting Waiver: 

*Please complete this form, sign it and return to us prior to the meeting so we can include your waiver when we discuss it as an agenda item.*

REQUEST FOR STATE BOARD WAIVER  
THIS IS A PUBLIC DOCUMENT

Date: 8-7-20

Name of Board Member or Former Board Member: Jim Scull

Name of Board, Authority or Commission:

South Dakota Health and Educational Facilities Authority "SDHEFA"

**Brief explanation of your potential conflict of interest:**

I have more than a 5% ownership interest in Scull Construction Service, Inc. Scull Construction Service, Inc. may enter into a construction contract with Monument Health of Rapid City.

**Brief explanation of the current or anticipated business transaction with a State agency or with a political subdivision of the State and your role in the transaction:**

No transaction with a state agency or political subdivision will occur. Payment for work on the contract results from the issuance of bonds through a program administered by SDHEFA, a transaction that may be within the jurisdiction or subject matter of the SDHEFA.

**Brief explanation of the essential terms of the contract or transaction:**

Monument Health plans to bond for some new money construction projects and perhaps refund some existing bonds. Monument Health may select Scull Construction Service, Inc. as the contractor for a construction project.

**Brief explanation of why you believe a waiver should be granted:**

It is in the best interests of Monument Health and the citizens of the State of South Dakota that the bond transaction be completed to promote the health and welfare of the citizens of the State of South Dakota. I have opted to abstain from discussion and vote. This proposed business transaction is fair, reasonable, and not contrary to the public interest.

Signature of Person Requesting Waiver: 