SPECIAL MEETING MINUTES
September 10, 2013

Trustees Present:
Shannon Honaker, President
George Eckman, Vice President
Lynne Chadey, Secretary
Tom Spicer, Treasurer
Richard Baxter, III
Dick Boettcher
Jim Roth

Also Present:
Dr. Karla Leach, College President
Marty Kelsey, VP for Administrative Services
Jackie Freeze, VP for Student Success Services
Carla Budd, Assoc. VP for Administrative Services
Dan Baxter
Todd Bishop
Paul Murray
Kandy Frink

Trustees Absent:
None

SPECIAL BOARD OF TRUSTEES MEETING

I. AGENDA
A. Call to Order
   The special meeting of the Western Wyoming Community College District Board of Trustees was called to order at 6:44 p.m., Tuesday, September 10, 2013 in Room 1309, Rock Springs Campus, President Shannon Honaker presiding.

B. Approval of Agenda
   1. Treasurer Spicer made a motion to accept the agenda as presented. The motion was seconded by Trustee Boettcher and was approved by vote.

II. RECOMMENDED ACTION
A. New Business
   1. Bond Financing Options & Review of Various Leases, Lease Revenue Bond Issue, Wellness Center/Exercise Science Building
   During FY 2012-13, the WWCC Board of Trustees decided to authorize the WWCC Building Authority to issue lease revenue bonds that would net $2,000,000 to be used in the construction of the new Wellness Center/Exercise Science Building. The WWCC Building Authority has agreed to issue these new bonds. Dan Baxter, Managing Director of Kaiser and Company, will be appearing before the Board to discuss bond financing options for the Board to consider and to review three leases (Ground Lease, Site Lease, and Facilities Lease) that will be involved in the transaction involving the Board and the Building Authority. The financial markets are now experiencing a rise in long term interest rates and it may be in the College’s best interest to close the bond sale “sooner than later.” Mr. Baxter will be discussing with the board two options for financing:
   • Private Placement Bond Sale
   • Negotiated Sale (Underwriter Purchases Bonds…Like 2007 Sale)
The Board will need to act a later date to take the necessary official actions associated with this transaction. At this special meeting, Mr. Baxter will be seeking direction from the Board as which course of action to take given the circumstances at the time a decision needs to be made.

Recommendation:
None at this time. Additional information needed to make a recommendation will be available on the 10th.

Mr. Dan Baxter, Kaiser and Company, gave a presentation on the financing options for the Wellness/Exercise Science Center. Mr. Baxter stated that the college had indicated an interest in private bond placement which typically cost less than normal lease revenue bonds. Mr. Baxter said that he received excellent responses from potential private investors and that the interest rates are comparable to a negotiated sale. Mr. Baxter said that the savings to the college over the life of the bonds would be approximately $70,000. Mr. Baxter provided a hand-out illustrating the various bids, interest rates and maturity dates. Mr. Baxter said that the average yearly payment would be $150,000.

Treasurer Spicer asked how Kaiser and Company decided which investors would be awarded a portion of the bonds when the interest rate and maturity dates were the same. Mr. Baxter said that there is no standard method to awarding the bond placements but that they try to give each bidder a portion of the bonds in those instances. Mr. Baxter went on to say that in this case, all bidders are being recommended for a portion of the bond placements. Vice President Eckman asked who would be buying the bonds if it was a negotiated sale. Mr. Baxter said that approximately 75% of the bonds would have been with out-of-state investors. Treasurer Spicer asked if having two of the Building Authority members residing out of the state would cause any problems. Mr. Baxter said that it would not cause any problems but the Board may wish to revisit that at a later date. Treasurer Spicer asked how the bond payment would affect the budget. Dr. Leach said that the payment is already budgeted. Treasurer Spicer asked what opportunities the college would be passing up by encumbering this debt. President Honaker said that we would definitely give up the Wellness/Exercise Science Center if we do not proceed. Treasurer Spicer asked how close the college would be to its debt limit. Mr. Baxter said that the bonds would not count towards that limit so the college could still ask the voters for a bond issue if the need arose in the future. Trustee Roth asked if the college could use the one mill fund to make the payments. Vice President Kelsey said yes. Trustee Boettcher asked how the new portion of the building will be encumbered without including the existing portion. Vice President Kelsey said that actual dimensions of the new portion of the building will be used in the official documents so that only the new portion is encumbered. Vice President Eckman asked if the bonds would have a call-in provision. Mr. Baxter said yes.

Treasurer Spicer made a motion to award placement of the bonds with the private investors as recommended and described in the packet dated September 10, 2013 from Kaiser and Company. The motion was seconded by Trustee Boettcher and was approved by vote.
III. INFORMATION/PROPOSALS
A. Visiting Delegations
   None
B. Questions/Media/Public
   None
C. President/Staff
   Vice President Kelsey said that an additional special meeting would be required to
   approve the ground and facilities lease with the Building Authority, and to authorize the
   Building Authority to proceed with the bond placement. The Board members agreed to
   set a date for the special meeting during the regular meeting on September 12, 2013.

   Dr. Leach presented the Board members with a copy of the Vision statement that was
   developed during the recent in-service session.

D. Trustee Questions/Topics
   None
E. Topics for Future Workshop Agendas
   1. Facility Tours
   2. BOCES Reports
F. Executive Session - Legal/Personnel
   None

IV. ADJOURNMENT
Having no further business to act on, President Honaker adjourned the special meeting at 7:25
p.m.

NOTE: Additional information (tapes and/or addenda) from this meeting is available in
the Board Office.

Above recorded by:

__________________________________
Kandy Frink

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WWCC Board President

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WWCC Board Secretary