

TREASURY BOARD
COMMONWEALTH OF VIRGINIA
September 21, 2016
9:00 a.m.-
3rd Floor Conference Room
Virginia International Gateway Terminal
1000 Virginia International Gateway Boulevard
Portsmouth, Virginia

Members Present: Manju S. Ganeriwala, Chairwoman
Neil Amin
Lou Mejia
David Von Moll
Craig Burns
Douglas Densmore

Members Absent: None

Others Present:	Megan Gilliland	Christian Barton (By Phone)
	Janet Aylor	Department of the Treasury
	Leslie English	Department of the Treasury (By Phone)
	Debora Greene	Department of the Treasury (By Phone)

Call to Order and Approval of Minutes

Chairwoman Ganeriwala welcomed Board members and called the meeting to order at 9:09 a.m.

Chairwoman Ganeriwala asked if there were any changes or revisions to the Minutes of the August 24, 2016 meeting; there being none, Chairwoman Ganeriwala asked for a vote of approval. Mr. Amin moved for approval of the Minutes, Mr. Densmore seconded, and the motion carried unanimously.

Motion for Closed Session

A motion was read by Mr. Densmore and seconded by Mr. Amin to “convene a closed meeting in accordance with the Virginia Freedom of Information Act, pursuant to the requirements of §2.2-3711(A)(3), to discuss or consider the acquisition of real property for a public purpose and as it relates to the operations and growth of the Virginia Port Authority’s (“VPA”) port terminal facilities, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the VPA; and pursuant to the requirements of §2.2-3711(A)(6), to discuss or consider the investment of public funds in VPA facilities, including Virginia International Gateway (“VIG”) Norfolk International

Terminals, and Richmond Marine Terminal, where, if made public initially, the financial interests of the VPA would be adversely affected; and pursuant to the requirements of §2.2-3711(A)(7), to consult with legal counsel regarding VPA lease and matters requiring the provision of legal advice by such counsel”.

Open Session

At 11:45 a.m., the Board came out of a closed session and the following motion was read by Mr. Densmore and seconded by Mr. Burns.

“I move the following resolution

WHEREAS, the Treasury Board has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712 of the Code of Virginia requires a certification that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Board certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board.”

Ayes: 5 (Ganeriwala, Burns, Densmore, Mejia, Von Moll)

Nays: 0

Absent during vote: 1 (Amin)

Absent during meeting: 0

Motion for Recess

At 11:47, Chairwoman Ganeriwala asked for a motion for recess. Mr. Densmore asked for a motion to recess until called to order by the chair. Mr. Burns Seconded, and the motion carried unanimously.

Chairwoman Ganeriwala: “We are in recess until called to order, at which time we will reconvene in the Conference Room across the hall on the third floor.”

Chairwoman Ganeriwala re-convened the meeting at 12:16 p.m.

Action Items

Motion to Approve the Issuance of General Obligation Bonds

Janet Aylor presented the Preliminary Financing Summary for the issuance of \$70.7 million of General Obligation Bonds, Series 2016A, and \$117.5 million of General Obligation Refunding Bonds, Series 2016B.

Ms. Aylor informed the Board that the proceeds of the Bonds will go toward financing the acquisition, construction, and equipping revenue-producing capital projects at institutions of higher education of the Commonwealth, refunding certain maturities of its outstanding General Obligation Refunding Bonds, Series 2006A, Series 2009A and Series 2009B; and paying costs of issuance.

Ms. Aylor stated the bonds are scheduled to be sold by competitive bid on October 13, 2016. The estimated true interest cost as of September 13, 2016 is 2.35% for the 2016A bonds, and 1.87% for 2016B bonds. The estimated net present value savings of the refunding is \$15.6 million.

Ms. Aylor then introduced Bond Counsel, Megan Gilliland of Christian Barton, who along with Leslie English and Debora Greene joined the meeting by phone. Ms. Gilliland reviewed the resolution before the Board

Mr. Densmore asked how the issuance costs compare to other sales. Ms. Aylor replied that staff has been working with the rating agencies to lower these costs, and that they were in line with previous issuances.

Chairwoman Ganeriwala asked if rates could go up with the forthcoming actions by the Federal Reserve Board. Ms. Aylor replied that they have added in a higher amount in the resolution in case interest rates rise.

Chairwoman Ganeriwala asked if there were any further questions. There being none, Chairwoman Ganeriwala asked for a motion to approve the Resolution. Mr. Densmore moved that the Resolution be adopted. Mr. Von Moll seconded, and the motion carried unanimously.

Motion to Extend the Current Contracts for Financial Advisor

Ms. Aylor reviewed the motion to extend the current contracts for the financial advisors. She reminded the Board that the proposals were originally solicited in 2013. PRAG was hired as the primary financial advisor with First Southwest, now Hilltop Securities, being the second. The contract allowed for two – one year renewals. If approved, this would be the first extension of the contract.

Chairwoman Ganeriwala asked if there were any further questions. There being none, Chairwoman Ganeriwala asked for a motion to approve the Resolution. Mr. Von Moll

moved that the Resolution be adopted. Mr. Burns seconded, and the motion carried unanimously.

Consideration of Virginia Port Authority- Virginia International Gateway Capital Lease

The Board received two detailed briefings by the Port of Virginia staff, the first in June and the second during the closed session of this Board meeting. All questions asked by Board members were adequately addressed. The Board determined that this deal accomplishes the policy objectives and goals set forth by the Port Authority which include increasing the economic development opportunities that expanding the capacity and improving the efficiency at the Ports of Virginia will bring to the Commonwealth as a whole.

Chairwoman Ganeriwala asked if there were any further questions. There being none, Chairwoman Ganeriwala asked for a motion to approve the Resolution. Mr. Amin moved that the Resolution be adopted. Mr. Densmore seconded, and the motion carried unanimously.

Public Comment

None.

Other Business

Chairwoman Ganeriwala stated the next meeting of the Board would be on October 19, 2016. She then adjourned the meeting.

Respectfully submitted,



Michael R. Tutor, Secretary
Commonwealth of Virginia Treasury Board