

SOUTH DAKOTA HEALTH AND EDUCATIONAL

FACILITIES AUTHORITY

MINUTES OF THE MARCH 2, 2017 SPECIAL MEETING

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Thursday, March 2, 2017 at 10:00 a.m., CDT (9:00 a.m. MDT) via telephone conference call. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present: Gene Lebrun
 Don Scott
 Jim Scull
 Norbert Sebade

Absent: Dave Fleck
 William Lynch
 Dave Timpe

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

Donald Templeton, Executive Director
Dustin Christopherson, Associate Director
Steve Corbin, Finance Officer
Dan Bacastow, Chapman and Cutler

A quorum was declared by the Chairman and the meeting was called to order. The notice of the meeting dated February 28, 2017 was posted at the entrance of the South Dakota Health and Educational Facility Authority prior to the meeting and is on file at the Authority office.

The Chairman asked for consideration of the minutes for the January 18, 2017 special meeting. Mr. Gene Lebrun moved to approve the minutes, seconded by Mr. Don Scott and upon the roll call, the ayes were Lebrun, Scott, Sebade and Scull. Nays: none; abstained: none; motion carried.

Board Member Conflict of Interest and Inquiry of Conflicts of Interest

Mr. Templeton asked if any Board Members had a Conflict of Interest with any of the current meeting agenda items. Two members expressed a conflict of interest. Mr. Templeton stated that two written disclosures including requests for conflict waivers under Section 3 of the Act had been received from board members in relationship to the current agenda. The requests were from Mr. Fleck in regards to Avera, and Mr. Timpe in regards to Avera.

Mr. Fleck, as noted above, submitted a written disclosure statement and request for board waiver for Avera, which is attached as *Attachment #1*. After full discussion of the nature of the potential conflict as disclosed by Mr. Fleck, the Board made the findings described above that Mr. Fleck's conflict was fair, reasonable and not contrary to the public interest. A motion was made to accept the waiver for Mr. Fleck as it related to

Avera by Mr. Don Scott seconded by Mr. Gene Lebrun and to allow Don Templeton to sign the conflict and upon the roll call, the ayes were Lebrun, Scott, Sebade and Scull: nays: none; abstain: none. Motion carried.

Mr. Timpe, as noted above, submitted a written disclosure statement and request for board waiver for Avera, which is attached as ***Attachment #2***. After full discussion of the nature of the potential conflict as disclosed by Mr. Timpe, the Board made the findings described above that Mr. Timpe's 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 Avera by Mr. Gene Lebrun seconded by Mr. Jim Scull and upon the roll call, the ayes were Lebrun, Scott, Scull and Sebade: nays: none; abstain: none. Motion carried.

Avera Health Loan Extension

Mr. Breckenridge reviewed the variable rate loan extension for a period of 5 years with Wells Fargo Bank. The loan extends the term of the 2008C note, which was not an Authority issue. Mr. Breckenridge answered questions from board members and was excused from the call. Mr. Bacastow reviewed the Resolution, which is on file at the Authority office. Mr. Don Scott made a motion to approve, seconded by Mr. Jim Scull and upon the roll call, the ayes were Lebrun, Scott, Scull and Sebade; nays: none; abstain: none. Motion carried.

School District State Aid Savings

Don Templeton reviewed the school district bond issues for the South Dakota Health and Educational Facilities Authority state aid intercept program with the estimated savings and fees collected for the program. Mr. Lebrun commented that he liked the new reporting format.

Financial Statement

Mr. Templeton reviewed the January 31, 2017 financial statement and the Perkins Coie billing, which is on file at the Authority office, for the work performed on the South Dakota State Aid Intercept Program. The billing was reviewed by the board. Mr. Gene Lebrun moved to approve the financial report and the bill. Mr. Jim Scull seconded and upon the roll call, the ayes were Lebrun, Scott, Scull and Sebade: nays: none; abstain: none. Motion carried.

Adjournment

The Chairman stated there being no further business at this meeting, the meeting adjourned at 10:25 a.m. CDT.

STATE OF SOUTH DAKOTA

South Dakota Health and Educational Facilities Authority

STATE BOARD DISCLOSURE LAWS
WAIVER AUTHORIZATION
PURSUANT TO SDCL 3-23-3 (current member)

A written request for waiver of conflict, dated February 23, 2017, was received from
Dave Fleck. The request was acted upon by the members of
South Dakota Health and Educational Facilities Authority during a meeting held on
March 2, 2017.

(check one)

☐ The request for waiver was denied for the following reasons:

☒ The request for waiver was authorized for the following reasons:

Mr. Fleck has disclosed his potential conflict and has abstained from discussion and voting on the South Dakota Health and Educational Facilities Authority (the Authority) agenda item of the conversion of the Avera 2008C Series bonds to a new floating rate period so the loan can be extended another five years.

☐ The request for waiver was authorized subject to the following conditions:



Signature of Chairperson or Authorized Member

4-10-17

Date

Printed Name: _____

Date mailed to Auditor-General: _____

STATE OF SOUTH DAKOTA

South Dakota Health and Educational Facilities Authority

STATE BOARD DISCLOSURE LAWS
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March 2, 2017.

(check one)

☐ The request for waiver was denied for the following reasons:

☒ The request for waiver was authorized for the following reasons:

Mr. Timpe has disclosed his potential conflict and has abstained from discussion and voting on the South Dakota Health and Educational Facilities Authority agenda item of the Authority's conversion of the Avera Series 2008C bonds to a new floating rate period so the loan can be extended another five years.

☐ The request for waiver was authorized subject to the following conditions:



Signature of Chairperson or Authorized Member

4-10-17

Date

Printed Name: _____

Date mailed to Auditor-General: _____