

TENNESSEE STATE SCHOOL BOND AUTHORITY
July 14, 2016
AGENDA

1. Call meeting to order
2. Approval of Minutes from the TSSBA meeting of June 9, 2016
3. Approval of Projects for:

The Tennessee Board of Regents

- Tennessee Technological University- Parking & Transportation Improvements (927); Cost: \$14,250,000 of which \$13,250,000 will be financed by TSSBA; Term of Financing: 20 years as long-term financing

The University of Tennessee

- University of Tennessee, Chattanooga- Engel Intramural Sports Complex; Cost (A86): \$7,710,000 of which \$4,835,000 will be financed by TSSBA; Term of Financing: 20 years as long-term financing
- University of Tennessee, Knoxville - Haslam Field Expansion (A87); Cost: \$5,000,000 of which \$5,000,000 will be financed by TSSBA; Term of Financing: 5 years as short-term financing

4. Adjourn

TENNESSEE STATE SCHOOL BOND AUTHORITY

June 9, 2016

The Tennessee State School Bond Authority ("TSSBA" or the "Authority") met on Thursday, June 9, 2016, at 1:30 p.m., in the Executive Conference Room, Ground Floor, Tennessee State Capitol, Nashville, Tennessee.

The following members were present:

Honorable Justin Wilson, Comptroller
Honorable Tre Hargett, Secretary of State of Tennessee
Honorable David Lillard, State Treasurer
Angela Scott, proxy for Larry Martin, Commissioner of Finance and Administration
Acting Chancellor David Gregory, Tennessee Board of Regents
Dr. Joe DiPietro, President, University of Tennessee

The following member was absent:

Honorable Bill Haslam, Governor

Recognizing a physical quorum present, Mr. Wilson called the meeting to order and asked for a motion to approve the minutes of the meeting held on April 7, 2016. Mr. Gregory moved approval of the minutes. Mr. Hargett seconded the motion and it was unanimously approved.

Mr. Wilson stated the next item on the agenda was the approval of corrections to the minutes from previous meetings. Mr. Wilson stated the declaration that the Governor was absent from the meeting was inadvertently omitted in the following minutes:

- December 16, 2014
- February 26, 2015
- May 26, 2015
- June 23, 2015
- August 12, 2015
- January 20, 2016

Mr. Wilson moved approval of the correction of the minutes. Mr. Gregory seconded the motion and it was unanimously approved.

Mr. Wilson then recognized Mr. Dick Tracy, Executive Director, Facilities Development, to present the following project for consideration for the Tennessee Board of Regents:

- University of Memphis - Land Bridge and Parking Garage (644); Cost: \$36,600,000- of which \$35,600,000 will be financed by TSSBA; Term of Financing: 30 years as long-term financing

Mr. Hargett moved approval of the project. Ms. Scott seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. Robbi Stivers, Executive Director, Office of Capital Projects, to present the following project for consideration for the University of Tennessee:

- University of Tennessee, Knoxville – Campus Beautification Project (A82); Increase in cost of \$549,000 for a total \$6,949,000 to be funded by TSSBA; Term of Financing: 20 years as long-term financing

Mr. Wilson moved approval of the project. Mr. Lillard seconded the motion and it was unanimously approved.

Mr. Stivers then presented the next project for consideration for the University of Tennessee:

- University of Tennessee, Chattanooga- Retrofit State Buildings (A79); Cost: \$5,500,000 which includes an increase in cost of \$1,500,000 for a total of \$3,500,000 to be financed by TSSBA; Term of Financing: 20 years as long-term financing

Mr. Wilson moved approval of the project. Mr. Lillard seconded the motion and it was unanimously approved.

Mr. Wilson asked if there was any other business to be presented. Hearing none, Mr. Wilson adjourned the meeting.

Approved on this ____ day of _____, 2016

Respectfully submitted,

Sandra Thompson
Assistant Secretary

Tennessee State School Bond Authority Feasibility Study

TTU Parking & Transportation Improvements - Project Number 927

Individual Project Summary

Revenue Source:	Parking Fees	\$	1,250,707
	Total Revenue Source:		\$1,250,707

Assumptions:	Project Cost		\$13,250,000
	Interest Rate		7.00%
	Tax Status		Tax-Exempt
	Term of Financing		20-Years
	Cost of Issuance		\$198,750
	DSRF Earnings Rate		2.25%

Feasibility Test		
	May Principal (No DSRF)	November Principal (no DSRF)
Pledged Revenue	\$1,250,707	\$1,250,707
New Max-Semi Annual DS	\$1,227,943	\$1,200,573
Feasible	Yes	Yes

Prepared on July 06, 2016 by Jacqueline Felland

Project Disclosed in Budget

*TSSBA staff conducts a feasibility test on a project-by-project basis to ensure that each individual project has sufficient revenue pledged to cover the projected maximum annual debt service charged to the project. On an annual basis, and prior to the issuance of long-term debt, an assessment is performed pursuant to Article 2 01 (b) which requires that the aggregate amount of the Fees and Charges collected by an Institution in the preceding Fiscal Year is not less than two times the amount required for the payment of the aggregate of the maximum amount of Annual Financing Charges



Tennessee Board of Regents

1415 Murfreesboro Road – Suite 664 – Nashville, Tennessee 37217-2833
(615) 366 – 4400 FAX (615) 366 – 3992

May 18, 2016

Ms. Sandi Thompson, Director
Office of State and Local Finance
James K. Polk Building, 16th Floor
Nashville, TN 37243

RE: Tennessee Technological University (TTU)
Parking and Transportation Improvements
SBC Project No. 166/011-xx-2016

Ms. Thompson:

We are requesting \$13,250,000 bond financing for 20 years for the Tennessee Technological University Parking and Transportation Improvements project. The total estimated project cost is \$14,250,000. We will be presenting this project at the June 9, 2016 SBC Meeting.

The project scope includes transportation, parking, and pedestrian improvement throughout the campus. The annual bond financing will be repaid with parking fees. The project application and the pro forma are attached.

Your review and consideration of this request will be appreciated. Please advise if you have any questions.

Sincerely,

Dick J. Tracy
Executive Director
Office of Facilities Development

Enclosures

c: Russ Deaton w/encls.

**Tennessee State School Bond Authority
Project Application**

DEPARTMENT: Tennessee Board of Regents

INSTITUTION/LOCATION: Tennessee Technological University

PROJECT : Parking and Transportation Improvements

SBC PROJECT #: 166/11-xx-2016

PROJECT BUDGET:

Funding Sources:	<u>TSSBA (parking)</u>	<u>\$13,250,000</u>
	<u>Plant funds (non-auxiliary)</u>	<u>\$1,000,000</u>
	Total	<u>\$14,250,000</u>

PROJECT REVENUES: (Describe sources and projected levels)

Annual Parking fees in the amount of \$1,250,707

PROJECT LIFE:

Anticipated Useful Life of Project: 20 years

Desired Term for Financing (if less than useful life): 20 years

ESTIMATED ANNUAL FINANCING CHARGE: \$1,250,706.27

PROJECT APPROVAL DATES:

BOARD: September 2015

THEC: March 2016

SBC: June 09, 21016

Disclosed in the Govenor's Budget: X Yes X No If yes, what year? 2016

PROJECT DESCRIPTION: Physical description, including land, buildings and equipment with approximate dollar value. (If a renovation or repair project, please provide information with respect to the renovated or improved portion as well as the entire structure).

Construct transportation, parking and pedestrian improvements throughout campus including roads, parking lots, sidewalks, lighting, security cameras, emergency phones, storm sewer and landscaping in accordance with Master Plan. This phase will also include programming, a preliminary schematic study, and probable cost for a future parking garage

REAL ESTATE:

Owner of real property Tennessee Board of Regents

 To be acquired To be leased or other arrangement

The purpose of the following questions are to determine the tax status of this project to be financed with the proceeds of Tennessee State School Bond Authority Bonds and/or Bond Anticipation Notes and the amount of private use associated with this project. Private use means the direct or indirect use of the project by any entity other than a state or local government entity, including use by the Federal Government (including its agencies and instrumentalities) or a Section 501(c)(3), (c)(4), or (c)(6) organization. When the project consists of an improvement that does not involve space that is being used directly by governmental or private users (for example, a re-roofing, air conditioning or energy efficiency improvement), all questions involving uses and users of the project should be answered by reference to all portions of the facility or facilities benefited by the improvement.

The questions below relate to the project referenced above. Attach additional sheets as required. **Please make a copy of this document for your files.**

1. Project Status: (If the project has already been completed, and the proceeds are being used to reimburse the department, please so indicate and include date of project completion.) Pending approval
2. Project completion estimated to be: August 2017
3. Project Owner: Tennessee Board of Regents
4. Project Operator (see also item 8 below): Tennessee Technological University
5. Intended Use of the Project: Parking, pedestrian and traffic improvements
6. Intended Users of the Project (excluding use by the general public): Students and staff

8. Attach copies of any management contracts or incentive payment contracts entered into, or to be entered into, in connection with the operation of the project. (Do not include contracts for services that are solely incidental to the primary governmental functions of the facility (for example, contracts for janitorial, office equipment repair or similar services). Indicate the portion of the project to which the contracts relate. Give the usable square feet involved compared to the total usable square feet of the facility being financed. If a contract has not been entered into but is anticipated, indicate that fact.

N/A

9. Will any debt proceeds be used to make or finance loans to any private entity? If so, indicate the amount of such loans, the length and payment terms of such loans: No

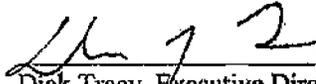
10. Indicate any expected payments (direct or indirect) to be made by non-governmental entities, separately and in the aggregate, to the State or any other governmental entity, with respect to the project.

None

11. Additional information not explained above.

Completed this _____ day of _____, _____.

David B. Gregory
Acting Chancellor


Dick Tracy, Executive Director
Office of Facilities Development

Dale Sims, Vice Chancellor for
Business & Finance

To be filled out by the Authority

BOND COUNSEL APPROVAL:	DATE	_____
	GOOD	_____
	5%	_____
	10%	_____

Feasibility Study by TSSBA

Prepared on:

School:

Project:

Project #:

Disclosed in Budget:

Revenue Source: Parking Permit Fees	<u>Original</u> 1,250,707
Total Revenue Src:	<u>\$ 1,250,707</u>

Assumptions: Project Cost	\$ 13,250,000.00
Interest Rate	7.00%
No. of Years	20
Cost of Issuance	2.00%
Interest on DSRF	2.25%
Administrative Costs	0.20%
Annual Debt Service Pmt.	\$1,250,706.27

Issue Size	
Project Cost	\$ 13,250,000.00
Cost of Issuance	\$ 265,000.00
Administrative Costs	\$ 26,500.00
Debt Serv. Reserve Fund	\$1,250,706.27
Size of Bond Issue	\$ 14,792,206.27
Annual Debt Service Pmt.	\$ 1,250,706.27
Less: Int. Earnings on DSRF	\$ 28,140.89
Net Debt Service Payment	\$ 1,222,565.38

Project Request

SBC1

1 Department: **Tennessee Board of Regents** Submitting
 Project Title: **Parking and Transportation Improvements** 05/18/2016
 Institution: **TTU**
 City/County: **Cookeville / Putnam** SBC No: **166/011-park**

3			<u>New</u>	<u>Renovation</u>
<input type="checkbox"/>	Capital Outlay			
<input type="checkbox"/>	Capital Maintenance	Gross Sq. Ft.	0	0
<input checked="" type="checkbox"/>	Disclosure	Net Sq. Ft.	0	0
<input checked="" type="checkbox"/>	Designer Required	Cost/Sq. Ft.	\$0.00	\$0.00

4 Project Description

Construct transportation, parking and pedestrian improvements throughout campus including roads, parking lots, sidewalks, lighting, security cameras, emergency phones, storm sewer and landscaping in accordance with Master Plan. This phase will also include programming, a preliminary schematic study, and probable cost for a future parking garage.

5	<u>Total Project</u>	<u>Allocation</u>			
	\$0.00	\$0.00	Building Construction		
	\$12,500,000.00	\$12,500,000.00	Site & Utilities		
	\$0.00	\$0.00	Built-in Equipment		
	\$12,500,000.00	\$12,500,000.00	Bid Target		
	\$625,000.00	\$625,000.00	Contingency	5.00%	5.00%
	\$13,125,000.00	\$13,125,000.00	M.A.C.C.		
	\$769,717.00	\$769,717.00	Fee	5.860000	0.000000 New
	\$0.00	\$0.00	Movable Equipment		
	\$0.00	\$0.00			
	\$0.00	\$0.00			
	\$355,283.00	\$355,283.00	Administration & Miscellaneous		
	\$14,250,000.00	\$14,250,000.00	Total Cost		

6 Funding

\$0.00	\$0.00	STATE Funds
\$0.00	\$0.00	FEDERAL Funds
\$14,250,000.00	\$14,250,000.00	Plant funds and TSSBA
\$14,250,000.00	\$14,250,000.00	

7 Available Funding Sources

\$13,240,000.00	TSSBA (parking)
\$1,000,000.00	Plant Funds (non auxiliary)
\$0.00	
\$0.00	
\$0.00	
\$14,240,000.00	

8 SBC Action Date Action

9 Designer TBD

Tennessee State School Bond Authority Feasibility Study

UTC Engel Intramural Sports Complex - Project Number A36

Individual Project Summary

Revenue Source:	Debt service fee	\$	450,000
	Total Revenue Source:		\$450,000

Assumptions:	Project Cost	\$4,835,000
	Interest Rate	7.00%
	Tax Status	Tax-Exempt
	Term of Financing	20-Years
	Cost of Issuance	\$72,525
	DSRF Earnings Rate	2.25%

Feasibility Test		
	May Principal (No DSRF)	November Principal (no DSRF)
Pledged Revenues	\$450,000	\$450,000
New Max-Semi Annual DS	\$448,084	\$438,096
Feasible	Yes	Yes

Prepared on July 06, 2016 by Jacqueline Felland

Project Disclosed in Budget

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Tennessee State School Bond Authority
UTC Engel Intramural Sports Complex Project Application

DEPARTMENT: University of Tennessee

INSTITUTION/LOCATION: Chattanooga

SBC PROJECT #: 540/005-

PROJECT BUDGET:

Funding Sources:	<u>TSSBA</u>	<u>\$4,835,000</u>
	<u>Other: Plant Non-Auxiliary</u>	<u>\$2,875,000</u>
		<u>\$</u>
	Total	<u>\$7,710,000</u>

PROJECT REVENUES: (Describe sources and projected levels)

Annual debt service to be funded by revenues generated by the Debt Service Fee. The fee is paid
by students enrolled in credit and audit courses. Full-time, in-state students and out-of-state students pay \$150
per semester. A \$450,000 portion of the annual revenues generated from this fee will be used to service the debt.

PROJECT LIFE:

Anticipated Useful Life of Project: 30+ years

Desired Term for Financing (if less than useful life): 20 years

ESTIMATED ANNUAL FINANCING CHARGE: \$ 421,612

PROJECT APPROVAL DATES:

BOARD: 10/09/2015

THEC: 11/20/2015

SBC: 06/09/2016

Disclosed in the Governor's Budget: Yes No If yes, what year? 2016

in relation to the entire project. (For example, if an area of vending machines operated by a private contractor occupies 50 square feet of a 5,000 square foot area financed, indicate the relationship in terms of the ratio of square footage used.)

Gross Square Footage of Building 2,200 (See Supporting Data Sheet if more than one building is involved.)

A. Vending Machines:

Square Footage N/A

Operator _____

Are any vending areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator? _____

B. Wholesalers or retailers (e.g., Newsstand, Book Store, Pharmacy, etc.):

Square Footage N/A

Type _____

Operator _____

C. Pay Telephones:

Square Footage N/A

D. Laundry Services:

Square Footage N/A

Operator _____

Are any laundry service areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator? _____

E. Cafeteria or other food services areas:

Square Footage N/A

Operator _____

F. Provision of health care services:

Square Footage N/A

Operator _____

G. Laboratory research performed on behalf of or for the benefit of a private entity or pursuant to a cooperative research agreement:

Square Footage N/A

Recipient _____

H. Office space utilized by or on behalf of private entities:

Square Footage N/A

Occupant _____

I. Provision of housing for persons or entities other than enrolled students:

Square Footage N/A

8. Attach copies of any management contracts or incentive payment contracts entered into, or to be entered into, in connection with the operation of the project. (Do not include contracts for services that are solely incidental to the primary governmental functions of the facility (for example, contracts for janitorial, office equipment repair or similar services). Indicate the portion of the project to which the contracts relate. Give the usable square feet involved compared to the total usable square feet of the facility being financed. If a contract has not been entered into but is anticipated, indicate that fact.

N/A

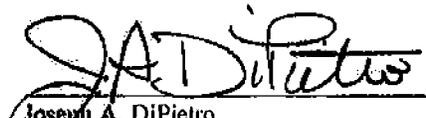
9. Will any debt proceeds be used to make or finance loans to any private entity? If so, indicate the amount of such loans, the length and payment terms of such loans: No

10. Indicate any expected payments (direct or indirect) to be made by non-governmental entities, separately and in the aggregate, to the State or any other governmental entity, with respect to the project.

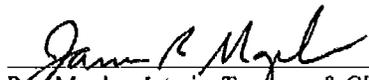
N/A

11. Additional information not explained above. None

Completed this 12th day of May, 2016.


Joseph A. DiPietro
President


Robbi Stivers, Executive Director
Office of Capital Projects


Ron Maples, Interim Treasurer & CFO

<i>To be filled out by the Authority</i>	
BOND COUNSEL APPROVAL:	DATE _____
	GOOD _____
	5% _____
	10% _____

Tennessee State School Bond Authority Feasibility Study

2017-2018 UT Knoxville Field Expansion

Individual Project Summary

Revenue Source:	Pledged gifts/UT Athletic Funds	\$	1,060,793.00
	Total Revenue Source:	<u>\$</u>	<u>1,060,793.00</u>
Assumptions:	TSSBA Funding Requested	\$	5,000,000.00
	Interest Rate		2.00%
	Status		Tax-Exempt
	Term of Financing		5

Feasibility Test	
	Annual Short-Term Pmt
Pledged Revenue	\$1,060,793
New Max-Semi Annual DS	\$1,060,792
Feasible	Yes

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Tennessee State School Bond Authority
UTK Haslam Field Expansion Project Application

DEPARTMENT: University of Tennessee

INSTITUTION/LOCATION: Knoxville

SBC PROJECT #: 540/009-

PROJECT BUDGET:

Funding Sources:	<u>TSSBA</u>	<u>\$5,000,000</u>
	<u>Other:</u>	<u>\$</u>
		<u>\$</u>
	Total	<u>\$5,000,000</u>

PROJECT REVENUES: (Describe sources and projected levels)

Annual debt service of \$1,060,793 will be funded by pledged gifts and/or UT Athletic funds
amortized over 5 years.

PROJECT LIFE:

Anticipated Useful Life of Project: 30+ years

Desired Term for Financing (if less than useful life): 5 years

ESTIMATED ANNUAL FINANCING CHARGE: \$1,060,793 (5 yr TSSBA Tax Exempt RCF Paper at 2%)

PROJECT APPROVAL DATES:

BOARD: 10/09/2015

THEC: 11/20/2015

SBC: 06/09/2016

Disclosed in the Governor's Budget: Yes No If yes, what year? 2016

in relation to the entire project. (For example, if an area of vending machines operated by a private contractor occupies 50 square feet of a 5,000 square foot area financed, indicate the relationship in terms of the ratio of square footage used.)

Gross Square Footage of Building 2,349 (See Supporting Data Sheet if more than one building is involved.)

A. Vending Machines:

Square Footage N/A

Operator _____

Are any vending areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator? _____

B. Wholesalers or retailers (e.g., Newsstand, Book Store, Pharmacy, etc.):

Square Footage N/A

Type _____

Operator _____

C. Pay Telephones:

Square Footage N/A

D. Laundry Services:

Square Footage N/A

Operator _____

Are any laundry service areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator? _____

E. Cafeteria or other food services areas:

Square Footage N/A

Operator _____

F. Provision of health care services:

Square Footage N/A

Operator _____

G. Laboratory research performed on behalf of or for the benefit of a private entity or pursuant to a cooperative research agreement:

Square Footage N/A

Recipient _____

H. Office space utilized by or on behalf of private entities:

Square Footage N/A

Occupant _____

I. Provision of housing for persons or entities other than enrolled students:

Square Footage N/A

8. Attach copies of any management contracts or incentive payment contracts entered into, or to be entered into, in connection with the operation of the project. (Do not include contracts for services that are solely incidental to the primary governmental functions of the facility (for example, contracts for janitorial, office equipment repair or similar services). Indicate the portion of the project to which the contracts relate. Give the usable square feet involved compared to the total usable square feet of the facility being financed. If a contract has not been entered into but is anticipated, indicate that fact.

N/A

9. Will any debt proceeds be used to make or finance loans to any private entity? If so, indicate the amount of such loans, the length and payment terms of such loans: No

10. Indicate any expected payments (direct or indirect) to be made by non-governmental entities, separately and in the aggregate, to the State or any other governmental entity, with respect to the project.

N/A

11. Additional information not explained above. None

Completed this 12 day of May, 2016.


Joseph A. DiPietro
President


Robbi Stivers, Executive Director
Office of Capital Projects


Ron Maples, Interim CFO & Treasurer

To be filled out by the Authority

BOND COUNSEL APPROVAL:	DATE	_____
	GOOD	_____
	5%	_____
	10%	_____