

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

March 15, 2023

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, March 15, 2023, at 11:00 a.m. at the Ohio Department of Education Building, 25 S. Front Street, Columbus, Ohio, due written notice of which had been given to all members of the Commission.

The following members attended: Thomas Needles, Chair; John Martin, Secretary; John Adams; Susan Tate; and Mike Gonsiorowski. Absent were: Frederick Church and James Shindler. Also present were: Ben Christensen of the Ohio Department of Higher Education; Alexander G. Burlingame and Ellen Steinmetz of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; and a representative of the institution appearing before the Commission.

The meeting was called to order by the Chair. Upon call of the roll, the Secretary declared that a quorum was present. He also stated that the notice of this meeting had been given to all media, organizations or other persons who requested that information in accordance, and in full compliance, with Section 121.22 of the Revised Code.

The Chair noted that the minutes of the Commission meeting of November 16, 2022 were sent to each member prior to this meeting. Upon a motion by Mr. Adams that was seconded by Mr. Gonsiorowski, all Commission members approved the minutes of that meeting.

OBERLIN COLLEGE

The Chair next called on Rebecca Vazquez-Skillings, Vice President for Finance and Administration, to speak to the Commission members regarding Oberlin College's financing request. Ms. Vazquez-Skillings thanked the Commission members. She has been with the College for five years, having served on the State Board of Education and at Otterbein University before that. The College is seeking to refinance its 2013 Bonds issued through the Commission. Those Bonds financed assorted College facilities, including student housing and museum facilities. The College also is seeking to replace its steam system which is over 100 years old. The College is moving to a geothermal system. In 2006 the College set a goal of carbon neutrality by 2025. The College evaluated the costs of a geothermal system, which will include approximately 850 wells, and found the cost differential not to be substantively different from the current system. The College has engaged Evergreen Energy to assist with the project. The College also is seeking to finance a new approximately 370 bed student residence hall. The College has a four-year residency requirement but needs additional capacity to meet demand and provide swing space. It's intended that the facility will be built to Lead Gold standards and will have capacity for solar panels on the roof. The student housing project is expected to be self-liquidating. The College Board has approved the transaction. The first phase of the sustainability project had been financed with

taxable bonds issued by the College. Money available through the Inflation Reduction Act is another possible funding source. Ms. Vazquez-Skillings then inquired as to whether there were any questions.

In response to a question from Mr. Adams, Ms. Vazquez-Skillings confirmed that the College does have a sinking fund associated with its taxable debt. It is posted on its balance sheet and is invested along-side of the endowment. In response to questions from Mr. Gonsiorowski, Mr. Adams and Ms. Tate, Ms. Vazquez-Skillings noted that a reduced use of energy will bring-down the load on City systems. The College's project is being done in consultation with the City, School district and local hospital. The wells for the geothermal system will be near the College's athletic fields. The College has been able to achieve expense savings over the last few years, including through voluntary separations. The College is financing geothermal facilities solely for operation of the College. Net present value savings for the refinance portion of the financing is expected to be over \$4 million.

In response to questions from Mr. Needles, Mr. Martin and Mr. Gonsiorowski, Ms. Vazquez-Skillings noted that approximately 92% of the geothermal project is eligible for funds under the Inflation Reduction Act. That is a potentially significant funding source. Carbon neutrality for the campus in two years is doable. Even without the carbon neutrality goal, the College needed to address its steam system. The College is experiencing record enrollment, emphasizing the need for student housing facilities. The Gibson litigation is concluded and the appeal is over.

Mr. Burlingame noted that this portion of the agenda included the public hearing for the proposed financing for the College required by federal tax rules. Notice of the public hearing was posted in accordance with those rules. Mr. Christensen noted that the Commission did not receive questions or comments in the mail or by email prior to the hearing. There being no further questions or comments, the hearing was closed.

Mr. Burlingame stated that the resolution approves the Preliminary Agreement with the College. That agreement and related resolution preliminarily approve the financing transaction.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2023-01 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Gonsiorowski; Martin; Needles; Tate

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-01 adopted.

Resolution No. 2023--1 is as follows:

COLLEGE OF WOOSTER -LIBOR TRANSITION MATTERS

The Commission next considered a resolution approving document changes and related actions and documents in connection with the transition away from LIBOR for the College of Wooster's 2021 Bonds. There being no questions, the Commission members voted on the resolution presented.

Ms. Tate moved and Mr. Gonsiorowski seconded the motion that Resolution No. 2023-02 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Gonsiorowski; Martin; Needles; Tate

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-02 adopted.

Resolution No. 2023-02 is as follows:

UNIVERSITY HOSPITALS – CHANGE OF BOND TRUSTEE

The Commission next considered a resolution for University Hospitals approving a change of Bond Trustee. The Health System has determined it advantageous for The Huntington National Bank or an affiliate thereof to be appointed as successor trustee. There are no new bonds or projects. The Commission members proceeded to vote on the presented resolution.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2023-03 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Gonsiorowski; Martin; Needles; Tate


Nay: None

The Secretary declared the motion passed and Resolution No. 2023-03 adopted.

Resolution No. 2023-03 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

Mr. Christensen confirmed that the State had completed its regular audit of the Commission with no findings. After discussion and approval by the members, it is now expected that the Commission will next meet on April 12, 2023, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.


Secretary

