



BOARD OF TRUSTEES

**Board of Trustees Minutes
Special Telephonic Meeting
February 28, 2018**

Approved May 17, 2018

Trustees Present (via telephone):

Keith Thompson, Chair
Ron Erickson, Vice Chair
Chris Liu
Ciara White
Emily Washines
Ray Conner
Robert Nellams

Staff Present:

James Gaudino, President
Linda Schactler, Board Secretary / Chief of Staff
Joel Klucking, Board Treasurer / Vice President for Business & Financial Affairs
Kim Dawson, Executive Assistant to the President/Board of Trustees

Others present (via telephone):

Alan Smith, Assistant Attorney General
Marc Greenough, Bond Counsel, Foster Pepper LLC
Susan Musselman, Director, Public Financial Management
Thomas Toepfer, Senior Managing Consultant, Public Financial Management

Chair Thompson convened the special telephonic meeting at 4:01 PM. Ms. Schactler took role to confirm that a quorum of the Board was present. The purpose of the meeting was for the Board to approve the sale of bonds associated with a new residence hall.

The university has experienced significant enrollment increases in first-year students for each of the past three years. These double-digit increases have filled our residence halls. Last fall (2017) we started the quarter at more than 100 percent occupancy in our residence halls.

In response, on November 3, 2017, the Board of Trustees endorsed the development of a new 400-bed residence hall and dining facility. Since that endorsement, the university has engaged design-build partners Lydig Construction and Mahlum Architects, Inc., and is moving quickly to design and construct this facility with the intent for it to open fall 2019.

The project will be funded with tax exempt bonds against CWU's System revenues. The System includes dining, residence facilities, the Wildcat Shop, parking and some student activities. The project is

anticipated to cost up to \$48 million, inclusive of capitalized interest and issuance costs; CWU anticipates bond payments to be \$2.8 million annually for 30 years.

On February 9, the Board of Trustees approved Resolution No. 18-02, which authorized System Revenue Bonds, Series 2018 in the aggregate principal amount not to exceed \$48 million. The purpose of the bonds is to provide funds for the following purposes:

- (1) to pay all or a portion of the cost of acquiring, constructing, and equipping a new residence hall and dining facility on CWU's Ellensburg campus and renovating a student apartment complex,
- (2) to capitalize interest on the bonds, if interest is capitalized, and
- (3) to pay the costs of issuance and sale of the bonds.

On February 23, Moody's Investors Service assigned an A1 rating to CWU's proposed \$48-million System Revenue Bonds, Series 2018, and affirmed A1 ratings on approximately \$115 million of the university's outstanding parity debt, with a stable outlook. On the morning of February 28, CWU sought bids for bonds, selected a high bidder, and secured the interest rate associated with the bonds for inclusion in the motion below that authorizes the sale.

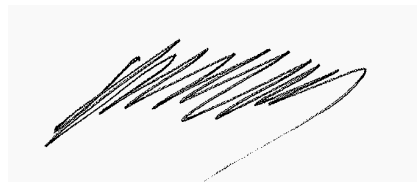
Motion 18-10: Mr. Nellams moved that the Board of Trustees of Central Washington University approves Bond Sale Resolution No. 18-03, which authorizes the competitive sale of System Revenue Bonds, Series 2018 award to the winning bidder Bank of America Merrill Lynch, based on a True interest cost of 3.73. The motion was seconded by Mr. Conner and approved unanimously.

The next meeting of the Board of Trustees is May 17 and 18, 2018 in Ellensburg.

Meeting adjourned at 4:14 PM.



Linda Schactler, Secretary to the
Board of Trustees
Central Washington University



Keith Thompson, Chair
Board of Trustees
Central Washington University