

MINUTES
SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA

Monday, March 11, 2013 – 9:30 A.M.

Tuesday, March 12, 2013 – 9:00 A.M.

I.

CALL TO ORDER

Mr. Peter Markham, the Governor's designee, called the School Building Authority of West Virginia (SBA) meeting to order at 9:30 a.m. on March 11, 2013. The following members were present: Mr. Tom Lange; Mr. Steve Burton, Vice President; Mr. Robert Holroyd; Mr. Eric Lewis; Mr. Victor Gabriel; Mr. Robert Dunlevy; Mr. Nicholas Preservati; Mr. Thomas Campbell; Dr. James Phares and Dr. Mark A. Manchin, Executive Director. Mr. Wade Linger did not participate in this meeting. Also present were the following SBA staff members: Mr. David Sneed; Mr. Garry Stewart; Mr. Scott Raines; Ms. Joyce VanGilder; Mr. Mike Hall; Mr. Benjamin Ashley; Ms. Mary Blashford; Ms. Angie Bradley and Ms. Stella Gill.

II.

ACKNOWLEDGEMENTS AND RECOGNITIONS

Dr. Mark A. Manchin introduced Judge Jennifer Bailey for the purpose of swearing in Mr. Thomas Campbell and Dr. James Phares the newest board members of the School Building Authority.

Chairman Markham informed that Mr. Jeffrey Check with the Iron Workers International had requested to speak to the Authority. The SBA staff had scheduled Tuesday's meeting to begin at 9:00 a.m. in order to allow thirty minutes for any SBA business to be transacted. Therefore, we have scheduled this time for Mr. Check to address the Authority.

III.

APPROVAL OF MINUTES

Upon a motion by Mr. Robert Dunlevy, with a second by Mr. Nicholas Preservati the Authority voted to approve the meeting minutes of the SBA Quarterly Meeting of December 17, 2012.

IV.

EXECUTIVE DIRECTOR'S REPORT

Dr. Mark A. Manchin provided a review of the Executive Director's Report regarding the following issues:

Overview of SBA's 2013 Bond Sale

Dr. Mark A. Manchin provided a brief overview of the 2013 Bond Sale. He informed the Authority that the SBA staff was working with the Bond financial committee as well as the Governor's office to prepare for the sale of the SBA Series 2013 Bonds. He stated that the SBA had been authorized to issue SBA Bonds in an amount up to \$24,425,000 in an aggregate principal amount.

Dr. Manchin then introduced Ms. Samme Gee with Jackson Kelly to provide further details regarding the SBA Series 2013 Bond Sale. Ms. Gee provide a detailed review of the Supplemental Resolution for the SBA Series 2013 Bond as well as the Supplemental Indenture. Ms. Gee informed the Authority the Supplemental Resolution was listed as the first item of consideration on the Finance Committee Agenda.

Purchasing (P-Card) Program Report

Dr. Manchin informed the Authority that one of the requirements of the P-Card Program is for the Board/Authority members to review all purchases made by staff members. As such, the document in Attachment B provides an itemized list of the SBA's card usage for the period of November 1, 2012 thru January 31, 2013. He encouraged everyone to review this document and asked if there were any questions. There were no questions regarding this report.

Review of the School Access Safety Program

Dr. Mark A. Manchin provided an overview of the School Access Safety program. He informed the Authority that since the most recent outbreak of school violence, the SBA had been requested to participate in various School Safety meetings around the state including one in Harrison County and one in Kanawha County at the Cultural Center.

Dr. Manchin also provided the Authority members with details regarding a film made by 3M which can be placed on windows to make them shatter proof. He informed them that a bullet could penetrate the film and go through the window underneath but the window would not shatter. He stressed that it would not stop the assailant indefinitely but it would buy some time in order to allow the authorities time to get to the scene. Dr. Manchin stated that he was requesting the SBA staff draft new language to be included in the SBA Policy and Procedures Handbook which would require this film to be utilized where feasible in all new construction. He stated that as soon as this language was prepared, it would be brought before the Authority for their review and approval.

V.

FINANCE COMMITTEE

Mr. Nicholas Preservati provided an overview of the Finance Committee Report regarding the following issues.

Mr. Preservati informed the Authority that Ms. Samme Gee with Jackson Kelly had provided a review of the Supplemental Resolution for the Finance Committee and recommended approval of this resolution. A brief overview of the Supplemental Resolution is listed below.

Consideration and Approval of a Supplemental Resolution for the 2013 SBA Bonds

A Supplemental Resolution authorizing the issuance of up to \$24,425,000 aggregate principal amount of School Building Authority of West Virginia's Lottery Capital Improvement Revenue Bonds. The Supplemental Resolution will:

- Give final approval of the bonds;
- Set maximum principal amounts of the bonds;

- Set parameters for the bonds and sale thereof;
- Amend the Reimbursement Resolution adopted in December 2012;
- Approve form of bond documents including approval of supplements to the Trust Indenture;
- Authorize closing, incidental action, Certificates of Determinations procedure;
- Make related approvals and take related action; and
- Establish Projects to be financed by proceeds of the bonds.

Upon a motion by Mr. Tom Lange, with a second by Mr. Steve Burton the Authority voted to approve the Supplemental Resolution to the SBA Series 2013 Bond. A copy of this Supplemental Resolution has attached to these meeting minutes.

Logan County – New Logan Elementary School

Mr. Nichols Preservati requested that Dr. Mark A. Manchin provide a review of Logan County's issue. Dr. Manchin informed the Authority that Logan County was awarded a \$9,000,000 SBA Needs Grant for the construction of a new Logan Elementary School. Logan County then secured ZMM Architects and Engineers to provide design services for the new facility. He stated that the design process began on the new facility assuming Logan County would be securing the property proposed during their interview in the March 2012 meeting. The design process continued and schematic design documents were submitted within the time required by the grant contract. However, prior to the Schematic Design Documents being reviewed by the SBA staff, the Logan County Board of Education elected to explore another property. Unfortunately, this decision will require a complete redesign of the facility, causing an estimated nine-month delay, pushing the project outside of the project development schedule in the grant contract. Dr. Manchin stated that in light of this project delay, the Logan County Board of Education is respectfully returning the awarded \$9,000,000 and in lieu thereof requests a Reserve Grant of up to \$500,000 so they may continue with the planning and design process. Once an acceptable school site has been located and deemed appropriate, Logan County would then seek another funding award from the SBA.

Mr. Preservati informed the Authority that the Finance Committee would recommend approval of Logan County's request but that it would require two official actions by the Authority. The first action would be to accept the return of the \$9,000,000 Need Grant funds to the Construction Funds account. The second action would be the approval of the award of a Reserve Grant in an amount up to \$500,000 to allow them to continue with the planning and design process of project.

Mr. Steve Burton requested that the Logan County Superintendent, Wilma Zigmond, provide further details regarding the current situation with the school site and what happened with the original site. Ms. Zigmond informed the Authority that at this time there was no site that had been determined for the proposed new school. She stated that between the time of the interviews and the time the project was awarded, the price that they had originally quoted for the site had raised exponentially. Therefore the Logan County Board decided to explore other options in regards to the school site.

Mr. Steve Burton stated that this item was also listed on the Construction Committee agenda for review and information. He stated that the Construction Committee was recommending no funding be approved for the Reserve Funds Grant request.

Upon a motion by Mr. Steve Burton, with a second by Mr. Robert Holroyd the Authority voted to accept the return of the \$9,000,000 Needs Grant previously awarded to Logan County for a New Logan Elementary School.

A lengthy discussion ensued regarding the Logan County's request for a for a Reserve Grant in an amount up to \$500,000 and it was determined to take no further action at this time.

Marshall County - John Marshall High School

Mr. Preservati recognized Dr. Mark A. Manchin to provide further details regarding the John Marshall High School project. Dr. Manchin reminded the Authority that in the April 2012 Quarterly meeting of the School Building Authority (SBA), the Authority provided Marshall County Schools with a \$250,000 reserve grant for the renovation of John Marshall High School. At this time, Marshall County proposed a Capital Improvement Bond to be placed before the voters of Marshall County in the effort to provide the local matching funds for the project, as well as requested QZAB funds in the amount of \$2,000,000. In addition to the SBA Reserve Grant, Marshall County requested an additional \$6,750,000 in SBA funds contingent upon passage of the proposed bond call which would complete the project budget. Dr. Manchin stated that however, after some consideration, Marshall County decided to approach a local lending institution to provide the required \$7,500,000 in local funding. Marshall County is proposing to repay these borrowed funds by using \$1,500,000 per year from the recently renewed excess levy. These funds in addition to a request for \$2,000,000 in QZAB funding will provide a total local contribution of \$9,500,000 toward the project. Dr. Manchin informed the Authority that Marshall County would be the first county to utilize this form of local funding in conjunction with SBA funding and it would be his hope that other counties would be able to utilize this means of local funding in the future. Dr. Manchin informed the Authority that Mr. Ed McDivitt with Bowles Rice LLP, was the legal counsel for Marshall County for this local excess levy. Mr. McDivitt provide further details regarding the more technical side of the this issue.

Upon a motion by Mr. Robert Dunlevy, with a second by Mr. Steve Burton the Authority voted to approve School Construction Funds in an amount up to \$6,750,000 to complete the project budget for the John Marshall High School and allowing this project to move forward.

Mercer County – New Oakvale Elementary School

Dr. Manchin informed the Authority that this item was being placed on the agenda for their review and information. He informed the Authority that during the April 2011 Quarterly meeting, the School Building Authority (SBA) approved a \$5,068,060 Needs Grant for Mercer County to be coupled with \$1,800,000 of local funding to construct a new Oakvale Elementary School. The total estimated cost for the project was \$6,868,060. The design for this project was completed and construction bids were received on October 9, 2012. Those bids were substantially over budget requiring the project to be redesigned and rebid. The second round of bids was received on January 24, 2013 and once again the lowest qualified bid was over budget. However, the redesign did reduce the deficit to \$1,162,144. Mercer County is requesting SBA provide supplemental Needs funding in the amount of \$500,000 and Mercer County will provide an additional \$500,000 in local funds. These additional funds along with additional value engineering will balance the project budget.

A lengthy discussion ensued regarding this project and as to why the project was still so much

over budget. Mr. Robert Holroyd provided a motion to amend the original award by increasing the amount by \$500,000 but the motion did not receive a second.

Further discussion ensued and it was determined that since this item was not included on the Construction Committee, to bring it back for further consideration. Upon a motion by Mr. Steve Burton, with a second by Mr. Tom Lange the Authority voted for the Mercer County request of additional funds in an amount of \$500,000 for the New Oakvale Elementary School be added to the Construction Committee Agenda on the upcoming April 22, 2013 meeting.

VIII.

PROJECT REVIEWS AND INTERVIEW SCHEDULE

Wyoming

Mr. Frank Blackwell Mr. Carl Knotts

Wyoming County requests SBA funds in the amount of up to \$1,250,000 to be used for the construction of the new Huff Consolidated PreK-8 School. This project was submitted for funding during the 2012 Needs funding cycle, at which time \$7,664,580 was requested. However, due to the limited amount of funding available, the Authority reduced Wyoming County's request by \$1,250,000. As such, Wyoming County is now requesting \$1,250,000 to complete the overall project budget.

Wyoming County requests \$1,250,000 for the completion of the new Huff Consolidated PreK-8. Due to funding limitations, this project was partially funded in the 2012 funding cycle. This project is part of the current comprehensive educational facilities plan and would affect 280 students and would address many health and safety issues. This will not meet economies of scale guidelines. The 8th year enrollment for Huff PK-8 is projected to be 249. Annual savings of \$52,422 are expected as a result of this project. A cost avoidance of \$10,219,440 is expected as a result of this project. The educational environment will improve as a result of this new construction. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will not be affected by this project.

Cabell

Mr. William Smith Mrs. Suzanne Oxley

Cabell County requests SBA funds in the amount of up to \$3,530,307 and will be providing \$4,000,000 in local funds, for a total of \$7,530,307. These funds will be used for an addition and renovation to Culloden Elementary School. This includes demolition of the oldest portion of the building at the front entrance and construction of a new office, instructional and entry space. Also included are asbestos abatement and ADA improvements to several areas, sprinkling of the facility and updated media and kitchen facilities.

Boone County proposes improvements to Sherman Junior/Senior High School at a cost of \$2,458,222. This project is part of the current comprehensive educational facilities plan and would affect 662 students and would address several health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Sherman Junior/Senior High School is projected to be 600. No annual savings are expected as a result of this project. Cost avoidance is not anticipated as a result of this project. The educational environment will improve as a result of this renovation. Once completed, adequate space for projected enrollment will be provided in the existing facility. Student travel time will not be affected by this project.

Ritchie

Mr. Ed Toman

Mrs. Carolyn Bowie

Ritchie County requests SBA funds in the amount of up to \$4,566,456 and will be providing \$300,000 in local funds for a total of \$4,866,456. These funds will be used to construct a 4 classroom, kitchen and dining addition, as well as, School Access Safety improvements at Harrisville Elementary School. In addition, the county wishes to install a new HVAC system with direct digital controls at this facility and remove portable used for fifth grade classroom.

Ritchie County proposes additions and renovations to Harrisville Elementary School at a cost of \$4,866,456. This project is part of the current comprehensive educational facilities plan and would affect 295 students and would address several health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Harrisville Elementary School is projected to be 380. No annual savings is expected as a result of this project. No cost avoidance is expected as a result of this project. The educational environment will improve as a result of the addition and renovation. Once completed, adequate space for projected enrollment will be provided in the renovated facility. Student travel time will not be affected by this project.

Lewis

Dr. Joseph Mace

Mr. Paul Derico

Lewis County requests SBA funds in the amount of up to \$3,136,140 and will be providing \$1,000,000 in local funds for a total of \$4,136,140. These funds will be used for the addition and renovations to the existing Jane Lew Elementary School. The proposed construction includes the addition of five new classrooms and a new secure building entrance attached to a renovated office suite in the main building. The existing Annex Building, located adjacent to the main building, will be demolished with additional local funds.

Lewis County proposes an addition and renovations to the existing Jane Lew Elementary School at a cost of \$4,136,140. This project is part of the current comprehensive educational facilities plan and would affect 368 students would address several health and safety issues, such as sprinkler system throughout school; ADA compliant restrooms; asbestos abatement; self-contained kindergarten classrooms and will provide Lewis County the ability to house all in one building. This building does meet economies of scale guidelines. The 8th year enrollment for Jane Lew Elementary is projected to be 276. An annual savings of \$10,000 is expected as a result of this project. A cost avoidance of \$3,000,000 is expected as a result of this project. The educational environment will improve as a result of new classrooms and students housed in one facility. Once completed, adequate space for projected enrollment will be provided in the main facility. Student travel time will not be affected by this project.

Gilmer

Mr. Ronald Blankenship

Dr. William Simmons

Gilmer County requests SBA funds in the amount of up to \$11,134,400 and will be providing \$991,177 in local funds, and are requesting an additional \$1,000,000 in QZAB funds for a total of \$13,125,577. These funds will be used to construct a new Gilmer County Elementary School to replace the existing Glenville, Sand Fork and Normantown Elementary Schools on a site centrally located between these attendance areas.

Gilmer County proposes the construction of a new Gilmer County Elementary School at a cost of \$13,125,577. This project is part of the current comprehensive educational facilities plan and would affect 395 students and would address several health and safety issues. This project will address economies of scale by reducing the number of facilities in the county. The 8th year enrollment for the new Gilmer Elementary School is projected to be 357. An annual savings of \$256,000 is expected as a result of this project. A cost avoidance of \$14,566,316 is expected as a result of this project. The educational environment will improve as a result of this consolidation. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will be affected by this project.

Pendleton

Mr. Doug Lambert Mr. James Wilkins

Pendleton County requests SBA funds in the amount of up to \$9,267,000. They are providing \$350,000 in local funds and requesting \$679,000 in QZAB funding for a total of \$10,296,000. These funds will be used for the construction of a new Franklin Elementary School. This new construction would replace the existing Franklin Elementary School, which is aging and has limited site accessibility.

Pendleton County proposes the construction of a new Franklin Elementary School at a cost of \$10,296,000. This project is part of the current comprehensive educational facilities plan and would affect 310 students and would address numerous health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Franklin Elementary School is projected to be 286. Annual savings of \$20,000 are expected as a result of this project. Cost avoidance of \$1.7 million is expected as a result of this project. The educational environment will improve as a result of this new construction. Once completed, adequate space for projected enrollment will be provided in the new PK-6 facility. Student travel time will not be affected by this project.

Preston

Dr. Larry Parsons Ms. Kathy McNeill

Preston County requests SBA funds in the amount of up to \$4,000,000 to be used for the construction of the new West Preston Middle School. This project was submitted for funding during the 2012 Needs funding cycle, at which time \$8,000,000 was requested. However, due to the limited amount of funding available, the Authority reduced Preston County's request by \$4,000,000. As such, Preston County is now requesting the remaining \$4,000,000 to complete the overall project budget.

Preston County proposes a New West Preston Middle School addition to Valley Elementary School at a cost of \$13,246,157. This project is part of the current comprehensive educational facilities plan and would affect 212 students in grades 6-8 and 506 students in Valley Elementary and would address many health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for West Preston Middle is projected to be 223 and 498 for Valley Elementary. Annual savings of \$5,000 for off-site utility are avoided as a result of this project. A cost avoidance of \$43,200 per year in building lease payments is expected as a result of leasing the Craig Civic Center and an additional \$5,000,000 to upgrade existing West Preston Middle School. The educational environment will improve as a result of this new facility. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will be affected by this project, but it is to the Valley Elementary location that children will or have traveled to for elementary.

Mingo

Mr. Randy Keathley Mr. William Duty

Mingo County requests SBA funds in the amount of up to \$8,602,092 and will be providing \$1,000,000 in local funds for a total of \$9,602,092. These funds will be used for an addition and renovation to Burch Middle School (the old Burch High School) to add grades PK-4 to reconfigure the facility into a PK-8 grade configuration. This project would then allow Mingo County to close the existing Burch Elementary School.

Mingo County proposes an addition and renovations to Burch Middle School at a cost of \$9,602,092. This project is part of the current comprehensive educational facilities plan and would affect 640 students and would address several health and safety issues. The building meets economies of scale guidelines. The 8th year enrollment for Burch PK-8 is projected to be 600. Annual savings of \$89,840 are expected as a result of this project. A cost avoidance of \$1,620,909 is expected as a result of this project. The educational environment will improve as a result of this addition and renovation. Once completed, adequate space for projected enrollment will be provided in the completed facility. Student travel time will be affected slightly by this project.

Harrison

Ms. Susan Collins Mr. Michael Queen

Harrison County requests SBA funds in the amount of up to \$8,197,000 and will be providing \$4,000,000 in local funds and are requesting an additional \$1,000,000 in QZAB funding, for a total of \$13,197,000. These funds will be used for the construction of a new Lumberport Middle School on the existing Lincoln High School campus. The new facility will be approximately 53,000 square feet and would be constructed using the design-build delivery method. The kitchen and cafeteria will be renovated as a shared space between the new and existing facilities.

Harrison County proposes the construction of a new Lumberport Middle School at a cost of \$13,197,000. The new facility would be constructed on the site of the existing Lincoln High School and would share kitchen and cafeteria spaces with the existing facility. This project is part of the current comprehensive educational facilities plan and would affect 425 students, as well as, address several health and safety issues. This building does not meet economies of scale guidelines, but the middle school and high school building would meet economies of scale guidelines. The 8th year enrollment for Lumberport Middle School is projected to be 446. An annual savings of \$62,000 is expected as a result of this project. A cost avoidance of \$10,000,000 is expected as a result of this project. The educational environment will improve as a result of this new facility. Once completed, adequate space for projected enrollment will be provided in the new facility. The new school is 2.6 miles or 7 minutes from the existing school. Overall student travel time is not expected to change. Furthermore, students that attend Lumberport Middle School, attend Lincoln High School in grades 9-12.

Jackson

Mr. Blain Hess Dr. Thomas Layne

Jackson County requests SBA funds in the amount of up to \$15,682,655 and will be providing \$750,000 in local funds for a total of \$16,432,655. These funds will be used for the construction of a new Ravenswood Middle School. This would replace the existing facility which was constructed mainly as a temporary school in 1950. The board owns the property for the new facility which is located in the vicinity of the existing facility.

Jackson County proposes the construction of a new Ravenswood Middle School at a cost of

\$16,432,655. This project is part of the current comprehensive educational facilities plan and would affect 377 students and would address two health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Ravenswood Middle School is projected to be 304. No annual savings are expected as a result of this project. A cost avoidance of \$1,575,000 is expected as a result of this project. The educational environment will improve as a result of this new facility. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will not be affected by this project.

There being no further interviews scheduled to come the Authority broke for the day. This meeting is scheduled to reconvene on Tuesday, March 12, 2013 at 9:00 A.M.

SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA TUESDAY, MARCH 12, 2013

At 9:00A.M. Chairman Peter Markham reconvened the meeting of the School Building Authority that had begun on the previous day.

Chairman Markham informed the Authority that there had been thirty minutes set aside before the Superintendent Interviews proceeded to complete the business portion of the SBA's agenda.

Chairman Peter Markham asked if there were any acknowledgments or recognitions. Dr. Mark A. Manchin informed the Authority that Mr. Jeffrey Chech, a representative from the Iron Workers Union of Pennsylvania, had requested to address the Authority regarding issues pertaining to a company that was presently doing business in WV and working on SBA projects. Dr. Manchin reminded the Authority members that members of this group had brought this issue to the Authority's attention during a previous meeting and the staff had since followed up with the various agencies involved. Mr. Chech addressed Authority stating that Trinity Steele was currently doing business in WV under the company name of American Erection Steele and that this company was currently working on SBA projects.

VI.

FINANCE REPORTS

Chairman Markham recognized Mr. Garry Stewart to provide the SBA Finance Reports. Mr. Stewart presented a recap of the various finance reports to the Authority for their review and information.

VII.

CONSTRUCTION COMMITTEE REPORT

Mr. Steve Burton provided a Construction Committee Report regarding the following issues.

Logan County's CEFPA Amendment

Mr. Burton informed the Authority that the Logan County Board of Education requested

approval of an amendment to their 2010 – 2020 CEFP. This amendment would allow Logan County to transfer fourth grade students currently attending Man Elementary School to their community schools of Buffalo Elementary and South Man Elementary. It would also relocate Pre-K children from South Man Elementary to return to Man Elementary School. Logan County has provided the appropriate amendment documentation to the SBA office. Mr. Burton stated that the Construction Committee recommended approval of this amendment.

Upon a motion by Mr. Tom Lange, with a second by Mr. Robert Holroyd the Authority approved the Logan County's request for an amendment to their 2010 – 2020 CEFP.

Logan County – New Logan Elementary School

Mr. Burton informed the Authority that this item was included on the Finance Agenda and all necessary action had already been taken at that time.

Marshall County - John Marshall High School

Mr. Burton informed the Authority that this item was included on the Finance Agenda and all necessary action had already been taken at that time.

Preston County

Mr. Burton informed the Authority that the Preston County issue had been added to the Construction Committee agenda as an informational item. He recognized Dr. Mark A. Manchin to provide further details regarding the Preston County issue.

VIII.

PROJECT REVIEWS AND INTERVIEW SCHEDULE

Kanawha

Dr. Ronald Duerring Mr. William Raglan

Kanawha County requests SBA funding in the amount of up to \$1,950,711 and will be providing \$650,237 in local funds for a total of \$2,600,948. These funds will be used an addition and renovation to Andrews Height Elementary School. Renovations include the construction of 5 new classrooms, a computer lab, an expanded multi-purpose/gym/cafeteria, as well as a kitchen addition. Should this project be funded, all four existing portable classrooms are to be removed from operation in Kanawha County.

Kanawha County proposes a classroom, kitchen and cafeteria addition to Andrews Heights Elementary at a cost of \$2,600,948. This project is part of the current comprehensive educational facilities plan and would affect 319 students and address numerous health and safety issues. This building does not meet the economies of scale guidelines. The 8th year enrollment for Andrew Heights Elementary is projected to be 292. An annual savings of \$80,000 is expected as a result of this project. A cost avoidance of \$2,600,948 is expected as a result of this project. The educational environment will improve as a result of this addition and renovation. Once completed, adequate space for projected enrollment will be provided in the renovated facility. Student travel time will not be affected by this project.

Boone

Mr. John Hudson Mr. Mark Sumpter

Boone County requests SBA funds of up to \$1,720,756 and will be providing \$737,466 in local funds, for a total of \$2,458,222. These funds will be used for improvements to Sherman Junior/Senior High School. The completed project will provide new secure main entrances for both the Junior and Senior High Schools. Also included are parking and bus loop additions to improve the existing conditions and make for a safer situation for students, staff and visitors.

Boone County proposes improvements to Sherman Junior/Senior High School at a cost of \$2,458,222. This project is part of the current comprehensive educational facilities plan and would affect 662 students and would address several health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Sherman Junior/Senior High School is projected to be 600. No annual savings are expected as a result of this project. Cost avoidance is not anticipated as a result of this project. The educational environment will improve as a result of this renovation. Once completed, adequate space for projected enrollment will be provided in the existing facility. Student travel time will not be affected by this project.

Mercer

Dr. Deborah Akers Mr. Gregory Prudich

Mercer County requests SBA funds in the amount of up to \$9,770,000 to construct a new Green Valley Elementary School. This project will replace the existing Ceres School, and through modest redistricting, will eliminate overcrowding at Glenwood PK-8 and Brushfork Elementary Schools.

Mercer County proposes construction of a new Green Valley Elementary School at a cost of \$9,770,000. This project is part of the current comprehensive educational facilities plan and would affect 290 students and would address numerous health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for the new facility is projected to be 290. Annual savings of \$42,386 are expected as a result of this project. A cost avoidance of \$7,250,000 is expected as a result of this project. The educational environment will greatly improve as a result of this new construction. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will be affected by this project.

Wetzel

Ms. Diane Watt Mr. Michael Blair

Wetzel County requests SBA funds in the amount of up to \$670,112 and will be providing \$155,028 in local funds for a total of \$825,140. These funds will be used for window replacement at the existing Long Drain School, New Martinsville School, Paden City Elementary School and Short Line School.

Wetzel County proposes window replacement at Long Drain, New Martinsville, Paden City, and Short Line Elementary Schools, at a cost of \$825,140. This project is part of the current comprehensive educational facilities plan and would affect 1773 students and would address security and safety issues. Some of these buildings meet economies of scale guidelines. The 8th year enrollment for all schools is projected to be 1742. Due to the age and unknown insulating value of the existing windows, an annual energy savings is difficult to project. Additionally, due to the conditions of the existing windows, repairs cannot be done, making replacement the only option. Therefore, no cost avoidance is projected. The educational environment will be affected as a result of the improved temperature regulated in the

rooms. Once completed, adequate space for projected enrollment will be provided in all facilities. Student travel time will not be affected by this project.

Mason

Ms. Suzanne Dickens Mr. Thomas Nunnery

Mason County requests SBA funds in the amount of up to \$6,664,704 for the construction of a new Leon Elementary School. This project would replace the existing Leon Elementary and the new facility would be constructed on adjacent board-owned property.

Mason County proposes construction of a new Leon Elementary School at a cost of \$6,664,704. This project is part of the current comprehensive educational facilities plan and would affect 147 students and would address many health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Leon Elementary School is projected to be 168. An annual savings of \$43,000 is expected as a result of this project. A cost avoidance of \$2,700,000 is expected as a result of this project. The educational environment will improve as a result of the new facility. Once completed, adequate space for projected enrollment will be provided in the new facility. Student travel time will not be affected by this project.

Pocahontas

Mr. C. C. Lester Mr. Emery Grimes

Pocahontas County requests SBA funds in the amount of up to \$8,571,789 for addition/renovations to Marlinton Elementary School, Hillsboro Elementary School, Green Bank Middle/High School and Marlinton Middle School. Renovations include HVAC, electrical, plumbing, ceiling and lighting upgrades in each school.

Pocahontas County proposes HVAC, electrical and plumbing upgrades at Hillsboro Elementary School, Marlinton Elementary School, Green Bank Middle/High School and Marlinton Middle School at a cost of \$8,571,789. This project is part of the current comprehensive educational facilities plan and would affect 788 students and would address numerous health and safety issues. These buildings do not meet economies of scale guidelines. The combined 8th year enrollment for these four schools is projected to be 753. There will be no annual savings or cost avoidance as a result of this project. The educational environment will improve as a result of the renovations. Once completed, adequate space for projected enrollment will be provided in the renovated facilities. Student travel time will not be affected by this project.

Wood

Dr. Patrick Law Mr. Tim Yeater

Wood County requests SBA funds in an amount of up to \$2,629,728 and will be providing \$657,432 in local funds for a total of \$3,287,160. These funds will be used for additions and renovations to Edison Middle School. The proposed additions include a 3 classroom addition, as well as enclosed corridors between the buildings. The additional classroom space would ease an overcrowding issue at this facility, while the enclosed corridors between buildings would greatly improve student safety and welfare.

Wood County proposes addition and renovations to Edison Middle School at a cost of \$3,287,160. This project is part of the current comprehensive educational facilities plan and would affect 694 students and would address several health and safety issues. This building does meet

economies of scale guidelines. The 8th year enrollment for Edison Middle School is projected to be 700. No annual savings is expected as a result of this project. A cost avoidance of \$4,249,328.26 is expected as a result of this project. The educational environment will improve as a result of this addition and renovation. Once completed, adequate space for projected enrollment will be provided in the improved facility. Student travel time will not be affected by this project.

Webster

Dr. Martha Dean

Ms. Paula Tanner

Webster County requests SBA funds in the amount of up to \$4,451,584 and will be providing \$100,000 in local funds for a total of \$4,551,584. These funds will be used for renovations to Webster County High School, which will be reconfigured into a 7-12 middle/high school facility. Renovations include the modernization of the science classrooms, and complete renovations to two vocational labs that will be reconfigured to general classrooms for the junior high students. Electrical and HVAC upgrades, roof replacement, exterior doors, flooring, ceiling and lighting upgrades are also included. Should this project be funded, the Webster County Board of Education will be closing Diana Elementary and the middle school portion of Glade Elementary/Middle School. Glade Elementary will operate as a PK-6 facility. PK-6 students from Diana Elementary will attend either Hacker Valley Elementary (PK-6) or Webster Springs Elementary (PK-6). All students in grades 7-12 will attend Webster County High School.

Webster County proposes renovations to Webster County High School at a cost of \$4,551,584. This project is part of the current comprehensive educational facilities plan and would affect 746 students and would address numerous health and safety issues. This building does not meet economies of scale guidelines because it is the only middle or high school in the county. The 8th year enrollment for Webster County High School is projected to be 500. An annual savings of \$212,904 is expected as a result of this project. A cost avoidance of \$1,634,810 is expected as a result of this project. The educational environment will improve as a result of this renovation. Once completed, adequate space for projected enrollment will be provided in the renovated facility. Student travel time will be affected by this project.

Randolph

Mr. Terry George

Mrs. Lisa Wamsley

Randolph County requests SBA funds in the amount of up to \$3,810,007 for additions and renovation of the middle school portion of Tygarts Valley Middle-High School. Renovations include complete HVAC and electrical upgrades, restroom renovations to provide ADA accessible toilets, plumbing, sprinkler and fire alarm system upgrades. A new secured entrance for the entire school is also proposed as part of this project.

Randolph County proposes additions and renovations at a cost of \$3,810,007. This project is part of the current comprehensive educational facilities plan and would affect 465 students and would address several health and safety issues. This building does not meet economies of scale guidelines. The 8th year enrollment for Tygarts Valley Middle-High School is projected to be 560. Annual savings of \$15,000 are expected as a result of this project. A cost avoidance of \$67,000 is expected as a result of this project. The educational environment will improve as a result of this renovation. Once completed, adequate space for projected enrollment will be provided in the renovated facility. Student travel time will not be affected by this project.

IX.

PERSONNEL

Mr. Robert Holroyd, as the Chair of the Personnel Committee, informed the Authority that Dr. Manchin and the SBA staff had received resumes from several interested job applicants. After the completion of the interview process, the candidates had been narrowed down to Mr. Dana Womack. Mr. Holroyd stated that he was recommending the Authority's approval to hire Mr. Dana Womack.

Upon a motion by Mr. Steve Burton, with a second by Mr. Robert Dunlevy the Authority voted to approve the hiring of Mr. Dana Womack

X.

FUTURE MEETINGS

The 2013 Needs project selections are scheduled for 9:00 a.m. on April 22, 2013. This meeting will be held in the **Governor's Press Conference Room** at the State Capitol Complex, 1900 Kanawha Boulevard, East, Charleston.

The 2013 summer quarterly meeting of the School Building Authority of West Virginia is scheduled at 9:00 a.m. on June 17, 2013 with the location to be determined.

The 2013 fall quarterly meeting of the School Building Authority of West Virginia is scheduled at 9:00 a.m. on September 16, 2013 with the location to be determined.

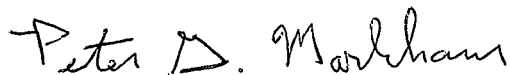
The 2013 winter quarterly meeting of the School Building Authority of West Virginia is scheduled at 9:00 a.m. on December 9, 2013 at 2300 Kanawha Boulevard, East, Charleston.

XI

ADJOURNMENT

There being no further issue to come before the Authority, the March 11 and 12, 2013 meeting of the School Building Authority of West Virginia was adjourned.

Minutes approved on April 22, 2013



Mr. Peter Markham, Governors Designee
School Building Authority of West Virginia

**SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA
Lottery Capital Improvement Revenue Bonds Series 2013 A**

SUPPLEMENTAL RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF NOT TO EXCEED \$24,425,000 AGGREGATE PRINCIPAL AMOUNT OF THE SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA'S LOTTERY CAPITAL IMPROVEMENT REVENUE BONDS IN ONE OR MORE SERIES; DESIGNATING CONSTRUCTION PROJECTS; ACKNOWLEDGING THE MAXIMUM AMOUNT OF BONDS TO BE ISSUED BY THE AUTHORITY UNDER THE ACT; AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST INDENTURE, TAX CERTIFICATE AND AGREEMENT, BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF SUCH BONDS AND BOND DOCUMENTS RELATING THERETO; PROVIDING PARAMETERS FOR ESTABLISHING THE PRINCIPAL AMOUNT, PROVISIONS FOR REDEMPTION, MATURITY, AND OTHER TERMS OF SUCH BONDS; AUTHORIZING THE AUTHORIZED OFFICER OF THE AUTHORITY TO APPROVE THE FINAL TERMS AND PRICING OF THE BONDS WITHIN SUCH PARAMETERS; REQUESTING THE TRUSTEE TO AUTHENTICATE THE BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT FOR THE BONDS; AUTHORIZING EXECUTION AND DELIVERY OF OTHER DOCUMENTS AND THE TAKING OF ALL OTHER ACTIONS RELATING TO SUCH FINANCING

WHEREAS, the School Building Authority of West Virginia (the "Authority") is a public corporation and governmental instrumentality of the State of West Virginia (the "State") and is empowered and authorized by Chapter 18, Article 9D of the Code of West Virginia, 1931, as amended (the "School Building Authority Act"), to, among other things, in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in the School Building Authority Act, issue revenue bonds from time to time, by resolution of the Authority, for the purpose of financing the cost of construction projects for public schools in the State, or to refund bonds issued and outstanding under and pursuant to the provisions of the School Building Authority Act, and to pledge the revenues paid into the school building debt service fund, a special revenue fund created pursuant to the Lottery Act and existing in the State Treasury (the "School Building Debt Service Fund"), as security for the payment of the principal

and redemption price of, and interest on, such bonds, and to carry out its purposes under the School Building Authority Act;

WHEREAS, pursuant to Sections 4 and 6 of the School Building Authority Act, the Authority is authorized to pay debt service on such bonds with funds distributed from the state lottery fund (the "State Lottery Fund"), a special fund created in the State treasury pursuant to Section 18 of the Lottery Act, and deposited into the School Building Debt Service Fund;

WHEREAS, the Authority, under the School Building Authority Act, has the power and authority to make contracts and to execute all instruments necessary or convenient to effectuate the intent of and to exercise the powers granted to it under the School Building Authority Act, and to do all things necessary or convenient to carry out the powers given to it under the School Building Authority Act;

WHEREAS, the Authority desires to issue its revenue bonds to finance the design, acquisition, construction, rehabilitation, equipping or improvement of public schools in the State of West Virginia ("Construction Projects"), including capitalized interest during the construction period of the Construction Projects, paying costs of issuance of such bonds, and for such other purposes as may be permitted under the School Building Authority Act;

WHEREAS, in order to establish and declare the terms and conditions upon which its revenue bonds are to be issued and secured and to secure the payment of the principal thereof and interest and any premium thereon, the Authority entered into a Trust Indenture (the "Master Indenture"), dated as of July 1, 2004, between the Authority and United Bank, Inc. (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of July 1, 2004 (the "First Supplemental Indenture"), and as supplemented and amended by an Amendatory and Second Supplemental Indenture dated May 30, 2012 (the "Second Supplemental Indenture," and together with the Master Indenture and First Supplemental Indenture, the "Indenture");

WHEREAS, the Authority issued its Lottery Capital Improvement Revenue Bonds, Series 2004 on July 1, 2004, in the aggregate principal amount of \$141,600,000 (the "Series 2004 Bonds") pursuant to the First Supplemental Trust Indenture;

WHEREAS, the Authority issued its Lottery Capital Improvement Revenue Bonds, Series 2012 A on May 30, 2012, in the aggregate principal amount of \$25,575,000 (the "Series 2012 A Bonds") pursuant to the Second Supplemental Trust Indenture;

WHEREAS, the Authority deems it desirable and in keeping with its purposes under the School Building Authority Act to issue "Lottery Capital Improvement Revenue Bonds, Series 2013 A" (the "Series 2013 A Bonds") for the purpose of financing a portion of the costs of acquisition, construction, rehabilitation, repair and equipping of the Construction Projects listed on Exhibit A attached hereto (the "Projects"), including capitalized interest during construction of the Projects and paying the costs of issuance of the Series 2013 A Bonds;

WHEREAS, the Authority declared its official intent to issue the Series 2013 A Bonds and to reimburse expenses incurred for certain construction projects by a resolution adopted December 17, 2012 (the “Original Reimbursement Resolution”);

WHEREAS, since the adoption of the Original Reimbursement Resolution, the Authority has determined that all or a portion of additional Construction Projects, within the meaning of the School Building Authority Act, will be funded with proceeds of the Series 2013 A Bonds (the “Additional Projects”), and that certain projects originally named in the Original Reimbursement Resolution will not be funded with proceeds of the Series 2013 A Bonds (the “Removed Projects”);

WHEREAS, the Authority deems it desirable to amend the list of construction projects included in the Original Reimbursement Resolution to add the Additional Projects and remove the Removed Projects and to approve the attached list of specific Construction Projects of public schools in the State to be financed in part from the proceeds of the Series 2013 A Bonds list (the “Project List”) is attached as Exhibit A;

WHEREAS, it is necessary and desirable to supplement and amend the Original Reimbursement Resolution to include the Projects;

WHEREAS, the Authority has within the past 60 days expended and reasonably expects to expend prior to obtaining financing through the issuance of the Series 2013 A Bonds funds from the School Construction Fund for a portion of the Projects;

WHEREAS, the Authority expects to reimburse the School Construction Fund for such original expenditures from the proceeds of the Series 2013 A Bonds;

WHEREAS, the estimated costs of the Projects to be financed in whole or in part by the Series 2013 A Bonds under and pursuant to the School Building Authority Act shall be as set forth in the Certificate of Determination, as defined herein;

WHEREAS, the Authority has found and determined that the acquisition, construction, rehabilitation, repair, improvement and equipping of the Projects is necessary and appropriate to best meet the educational needs of the individual students, the general school population and the communities served by public schools in the State in an efficient and economical manner and that each constitute all or a portion of a “Construction Project” within the meaning of the School Building Authority Act, to the extent applicable;

WHEREAS, pursuant to Section 8 of the School Building Authority Act, the Authority finds that the maximum aggregate amount of bonds currently outstanding, together with the aggregate amount of bonds anticipated to be issued in accordance with this Resolution, for which moneys in the Excess Lottery School Building Debt Service Fund and the School Building Debt Service Fund, special revenue funds created pursuant to the School Building Authority Act and existing in the State Treasury are pledged, does not exceed Five Hundred Million Dollars (\$500,000,000.00);

WHEREAS, all of the requirements and conditions set forth in the Indenture for issuance of the Series 2013 A Bonds thereunder have been satisfied or will be satisfied prior to delivery of the Series 2013 A Bonds;

WHEREAS, the Authority proposes to issue the Series 2013 A Bonds under and pursuant to Third Supplemental Trust Indenture between the Authority and the Trustee, (the “Third Supplemental Indenture”), to be dated as of the date of closing or as of such other date as may be approved by the Authorized Officer;

WHEREAS, the Citigroup Global Markets, Inc. and Piper Jaffray & Co. (together the “Underwriters”) will use one or more preliminary official statements (collectively the “Preliminary Official Statement”) and one or more official statements (collectively the “Official Statement”) in connection with the marketing and sale of the Series 2013 A Bonds;

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the Bonds, and the Authority desires to take such action;

WHEREAS, the Authority shall execute in connection with the issuance and sale of the Series 2013 A Bonds the following documents:

- (1) The Series 2013 A Bonds;
- (2) The Tax Certificate and Agreement (the “Tax Agreement”), to be dated as of the date of closing, by and between the Authority and the Trustee;
- (3) The Bond Purchase Agreement (the “Series A Bond Purchase Agreement”), to be dated as of the date of sale, by and among the Underwriters and the Authority pursuant to which the Series 2013 A Bonds are proposed to be purchased;
- (4) The Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), to be dated as of the date of closing, by and between the Secretary of the West Virginia Department of Administration and the Trustee;
- (5) The Third Supplemental Indenture;
- (6) The Preliminary Official Statement; and
- (7) The Official Statement; and

WHEREAS, this resolution constitutes action giving final approval for the issuance of the Series 2013 A Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF THE SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA, AS FOLLOWS:

Section 1. Findings. It is hereby found and determined by the Authority that the construction of the Projects (as described more particularly on Exhibit A attached hereto) and payment of capitalized interest during the construction period of the Projects is necessary and appropriate to best meet the educational needs of the individual students, the general school population and the communities served by public schools in the State of West Virginia and each constitutes all or a portion of a "Construction Project" within the meaning of the School Building Authority Act. From time to time hereafter, the Authority expects to approve additional Construction Projects during subsequent funding cycles that satisfy requirements of the School Building Authority Act. Such additional Construction Projects that are approved by the Authority, and may be funded by proceeds of the Series 2013 A Bonds, shall be added by Resolution to Exhibit A and be deemed Projects hereunder. The Authority has received the Direction of the Governor dated February 8, 2013, directing the issuance of not more than \$24,425,000 in aggregate principal amount of its Lottery Capital Improvement Revenue Bonds in one or more series.

Section 2. Authorization of Series 2013 A Bonds. The Governor of the State of West Virginia, the Governor's Designee and Chairperson and the Vice Chair of the Authority are hereby authorized and directed, pursuant to the School Building Authority Act, to execute and deliver, by manual or facsimile signature, and the Secretary of State of the State of West Virginia is hereby authorized and directed, pursuant to the School Building Authority Act, to affix the seal of the State of West Virginia and to attest, by manual or facsimile signature, the Series 2013 A Bonds; and the Authorized Officer (as hereinafter defined) is authorized and directed to deliver the Series 2013 A Bonds to the Trustee, as paying agent, for authentication under the Third Supplemental Indenture herein authorized and, when the Series 2013 A Bonds have been authenticated, to deliver the same or cause the Series 2013 A Bonds to be delivered to the purchasers thereof pursuant to the Bond Purchase Agreement against receipt of the purchase price, and to deposit the amount so received with the Trustee, as provided in the Third Supplemental Indenture.

Section 3. Maximum Aggregate Amount of Bonds to be Issued by the Authority. Pursuant to Section 8 of the School Building Authority Act, the Authority finds and declares that the maximum aggregate amount of bonds currently outstanding, together with the aggregate amount of the Series 2013 A Bonds anticipated to be issued in accordance with this Resolution, for which the moneys in the Excess Lottery School Building Debt Service Fund or the School Building Debt Service Fund are pledged, does not exceed Five Hundred Million Dollars (\$500,000,000).

Section 4. Approval of Third Supplemental Indenture, Tax Agreement and Other Bond Documents. It is anticipated that the Third Supplemental Indenture, the Tax Agreement and other bond documents related to the Series 2013 A Bonds shall be prepared, delivered and executed in connection with the issuance of the Series 2013 A Bonds. All of the

foregoing documents, except the Series 2013 A Bonds, together with such other documents, instruments and certificates as are deemed necessary or desirable with respect to the issuance of the Series 2013 A Bonds shall be hereinafter collectively referred to as the "Bond Documents." The Governor, the Governor's Designee, the Vice Chair, the Secretary, or the Executive Director (whether acting jointly or severally, as appropriate, the "Authorized Officer") are hereby authorized to negotiate and approve the form and content of the Bond Documents under such terms and conditions as they reasonably determine to be in the best interests of the Authority. The Authorized Officer is hereby authorized, empowered and directed to execute and deliver the Bond Documents prior to or simultaneously with the issuance of the Series 2013 A Bonds for and on behalf of the Authority, in the form and upon those terms and conditions as approved by the Authorized Officer with assistance of counsel and the Executive Director, and such approval shall be conclusively evidenced by the execution of the Bond Documents by the Authorized Officer, and the Secretary of the Authority is hereby authorized and directed to affix the seal of the Authority to the Third Supplemental Indenture, the Tax Agreement and the other Bond Documents and attest the same as required by the Bond Documents. All of the provisions of the Bond Documents, when executed and delivered as authorized herein, shall be deemed to be part of this Resolution and to the same extent as if incorporated herein and shall be in force and effect from the date of the execution thereof.

Section 5. Terms of Bonds. The Bonds shall be dated the date of issue or such other date as may be approved by the Authorized Officer, and as otherwise described in the Third Supplemental Indenture, shall be issued in one or more series in an aggregate principal amount to be agreed upon by the Authority and as approved by the Governor, not to exceed \$24,425,000, and shall bear interest payable at such times, at such rates per annum (such rates not to exceed 6% per annum) and shall mature on such dates (not later than twenty years from their date or dates) and in such principal amounts as set forth in a Certificate of Determination to be executed by the Authorized Officer, substantially in the form attached hereto as Exhibit B (the "Certificate of Determination"). The Series 2013 A Bonds shall contain a recital that they are issued pursuant to the School Building Authority Act, which recital shall be conclusive evidence of their validity and of the regularity of their issuance. The Series 2013 A Bonds shall be in the denominations and in registered form, be payable in the medium of payment and at such places, and be subject to redemption prior to maturity (at redemption prices not to exceed 105% of the principal amount of the Series 2013 A Bonds), all as provided in the Certificate of Determination. The Series 2013 A Bonds shall be sold to the Underwriters pursuant to the terms of the Bond Purchase Agreement at a price equal to par plus premium/less discount, less underwriters' discount. The premium or discount and the underwriters' discount shall be approved by the Authorized Officer, such approval to be evidenced by the execution by the Authorized Officer of the Bond Purchase Agreement setting forth such price.

Section 6. Limited Obligations. The Bonds are limited obligations of the Authority payable solely from and secured by the Trust Estate pledged under the Indenture (as the term Trust Estate is defined therein). The Bonds shall not constitute a debt or a pledge of the faith and credit or taxing power of the State of West Virginia or of any county, municipality or any other political subdivision of said State, and the owners thereof shall have no right to have taxes levied by the Legislature of the State of West Virginia or the taxing authority of any

county, municipality or any other political subdivision of the State for the payment of the principal thereof, but the principal and interest, if any, as applicable, of the Bonds and the principal and interest, if any, on any other series of lottery revenue bonds issued on a parity therewith, including the Series 2004 Bonds and the Series 2012 A Bonds, shall be payable equally and ratably from the Trust Estate pledged under the Indenture.

Section 7. Lien Position with Respect to the Series 2004 Bonds and the Series 2012 A Bonds. The 2013 Bonds are on parity with the Series 2004 Bonds and the Series 2012 A Bonds pursuant to Section 2.05 of the Master Indenture. The Bonds shall be secured by a first lien that is on parity with the Series 2004 Bonds and the Series 2012 A Bonds as to the lien on and source of and security for payment, on the Pledged Revenues, as defined in the Master Indenture; provided that the 2013 Bonds are not secured by or entitled to the benefit of the Debt Service Reserve Fund established for the Series 2004 Bonds pursuant to the First Supplemental Indenture.

Section 8. Covenants. All covenants, stipulations, obligations and agreements of the Authority contained herein and contained in the Indenture and the Third Supplemental Indenture shall be deemed to be the special and limited covenants, stipulations, obligations and agreements of the Authority to the full extent permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Authority and its successors from time to time and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements, shall be transferred by or in accordance with law. Except as otherwise provided herein, all rights, powers and privileges conferred and duties and liabilities imposed upon the Authority or the officials thereof by the provisions hereof and by the Indenture and the Third Supplemental Indenture shall be exercised or performed by the Authority or by such officers, board or body as may be required or permitted by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Master Indenture, the Third Supplemental Indenture or the Bond Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Authority in his or her individual capacity, and neither the members of the Authority nor any officer thereof executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 9. Reappointment of Fiduciaries. United Bank, Inc. is hereby reappointed and redesignated as the trustee, registrar and paying agent for the Series 2013 A Bonds under the Third Supplemental Indenture.

Section 10. Authentication of Bonds. The Trustee is hereby requested to authenticate the Series 2013 A Bonds and to deliver them to or upon the order of the Authorized Officer.

Section 11. Official Statement. The preparation and distribution of the Preliminary Official Statement for the Series 2013 A Bonds, in substantially the form attached

hereto as Exhibit C, and the final Official Statement for the Series 2013 A Bonds is hereby authorized in such form as may be approved by the Authorized Officer, such approval to be evidenced by the execution by the Authorized Officer of the final Official Statement for the Series 2013 A Bonds; and the delivery by the Underwriters to prospective purchasers of the Series 2013 A Bonds of the final Official Statement.

Section 12. Continuing Disclosure Agreement. Pursuant to the terms of Continuing Disclosure Agreement, the West Virginia Department of Administration or any successor thereto, shall provide, or cause to be provided, certain annual financial information and material event notices regarding the State and the Authority as required in paragraph (b)(5)(i) of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission so long as any of the Series 2013 A Bonds remain outstanding.

Section 13. Amendment of and Supplement to Original Reimbursement Resolution.

(a) The Authority adopted Declaration of Official Intent to Issue Lottery Capital Improvement Revenue Bonds 2012-02 on December 17, 2012 (the "Original Reimbursement Resolution") which provided for the reimbursement of expenses for certain projects identified in Exhibit A thereto. The Authority hereby amends and supplements the Original Reimbursement Resolution to read as follows:

Section 1. The Authority reasonably expects to reimburse the School Construction Fund for the original expenditures on account of the Projects made prior to the issuance of the Series 2013 A Bonds, in an amount not to exceed \$20,000,000, from the proceeds of the Series 2013 A Bonds. Upon issuance of the Series 2013 A Bonds, proceeds thereof, not to exceed the amount of such original expenditures, will be applied to reimburse the Authority for payment of such original expenditures.

Section 2. The Series 2013 A Bonds are reasonably expected to be executed and delivered within 18 months from the first date the original expenditures in connection with the Projects were paid. Upon the issuance of the Series 2013 A Bonds (and no later than 30 days thereafter), the Authority shall make a reimbursement allocation (as defined in Code Regulation §1.150-2) from the proceeds of the Series 2013 A Bonds to reimburse its operating account for the original expenditures and shall reimburse the School Construction Fund for such original expenditures from the Series 2013 A Bonds' proceeds.

Section 3. The maximum amount of such reimbursement pursuant to this Resolution, including the maximum amount of the reimbursement stated in the Original Reimbursement Resolution, is \$20,000,000, and the maximum principal amount of the Series 2013 A Bonds to be issued is \$24,425,000.

(b) This authorization is intended to supplement and amend the Original Reimbursement Resolution and constitutes, and the Original Reimbursement Resolution continues to constitute, a declaration of official intent pursuant to Code Regulation §1.150-2.

(c) The Project List defined in the Original Reimbursement Resolution is hereby supplemented and amended as set forth in Exhibit A hereto.

Section 14. Formal Actions. The Authority hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of the Authority, and that all deliberations of the Authority which resulted in formal action were meetings open to the public, in full compliance with all applicable legal requirements.

Section 15. Incidental Actions. The Authorized Officer, the Secretary and other members and officers of the Authority are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates and to take such other action as may be necessary or appropriate in order to effectuate the execution, delivery and/or receipt of the Third Supplemental Indenture and the other Bond Documents, and the issuance and sale of the Series 2013 A Bonds, and for carrying out the transactions contemplated therein, all in accordance with the School Building Authority Act, other provisions of the Code of West Virginia, 1931, as amended, and the provisions hereof. The execution, delivery and due performance of the Bond Documents are hereby in all respects approved, authorized, ratified and confirmed, including all acts heretofore taken in connection with the issuance of the Series 2013 A Bonds.

Section 16. Expenses and Fees. All expenses incurred by the Authority in connection with the Series 2013 A Bonds, including reasonable attorneys' fees, shall be reimbursed to the Authority from the proceeds of the Series 2013 A Bonds, subject to any applicable restrictions in the Code.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed.

CERTIFICATION

The undersigned, being the duly qualified, elected and acting Secretary of the School Building Authority of West Virginia, does hereby certify that the foregoing Resolution was duly adopted by the members of the School Building Authority of West Virginia at a regular meeting duly held, pursuant to proper notice thereof, on _____, 2013, in Kanawha County, West Virginia, a quorum being present and acting throughout, and which Resolution has not been modified, amended or revoked and is a true, correct and complete copy thereof as witness my hand and the seal of the School Building Authority of West Virginia this ____ day of _____, 2013.

[SEAL]

Secretary,
School Building Authority of West Virginia

EXHIBIT A

PROJECTS

SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA

Project List

County	Project Description	SBA Funding Outstanding
Barbour	Philip Barbour High School Renovations	\$1,402,305
Clay	Clay County High School HVAC Renovations	\$1,592,356
Hancock	New Elementary School	\$13,171,381
Lewis	Lewis County/Gilmer County Elementary Scholl	\$9,625,629
Morgan	Berkeley Springs High School Renovations	\$2,200,000
Pocahontas	Hillsboro Elementary School Additions and Renovations	\$1,337,712
Wyoming	New Huff Consolidated Elementary & Middle School	\$6,414,580
Total		\$35,743,963

EXHIBIT B

CERTIFICATE OF DETERMINATION

§ _____

**SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA
LOTTERY CAPITAL IMPROVEMENT REVENUE BONDS
SERIES 2013 A**

CERTIFICATE OF DETERMINATION

The undersigned, _____, the Governor's Designee and Chairman of the School Building Authority of West Virginia (the "Authority"), in accordance with a Resolution adopted by the Board of the Authority on _____, 2013, (the "Resolution"), with respect to the \$ _____ School Building Authority of West Virginia Lottery Capital Improvement Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds"), hereby finds and determines as follows:

1. All capitalized terms contained in this Certificate of Determination unless defined herein shall have the same meaning set forth in the Resolution.
2. The Series 2013 A Bonds shall be dated as of the date of original issuance and delivery thereof as described in the Indenture which as of today is expected to be _____, 2013.
3. The Series 2013 A Bonds shall be issued in the aggregate principal amount of \$ _____. Such principal amount does not exceed \$24,425,000, being the maximum principal amount authorized by the Resolution or \$ _____, being the maximum principal amount authorized by the Governor's Supplemental Direction dated February 8, 2013.
4. The Series 2013 A Bonds shall mature on the dates set forth on Schedule I attached hereto. Such maturity dates are not later than [20] years from the date of issuance.
5. The Series 2013 A Bonds shall bear interest at the rates set forth on Schedule I attached hereto. Such rates do not exceed [6] % per annum.
6. The Series 2013 A Bonds shall be sold to Citigroup Global Markets, Inc. and Piper Jaffray & Co. (collectively, the "Underwriters") pursuant to the terms of the Bond Purchase Agreement by and among the Underwriters and the Authority, at an aggregate purchase price of \$ _____ representing the par amount of the Bonds, [plus original issue premium of \$ _____,] less an Underwriters' discount of \$ _____, which discount is hereby approved.
7. The Series 2013 A Bonds proceeds shall be applied as set forth on Schedule II attached hereto and incorporated herein.

8. The final Official Statement of the Authority for the Series 2013 A Bonds in the form presented and attached hereto as Exhibit A and the distribution of such Official Statement by the Underwriters is hereby ratified, confirmed and approved.

9. As of the date hereof, the maximum aggregate amount of bonds currently outstanding, together with the aggregate amount of the Series 2013 A Bonds being issued in accordance with the Resolution, for which moneys in the School Building Debt Service Fund and the Excess Lottery School Building Debt Service Fund have been pledged is \$ _____ and does not exceed the statutory maximum of \$500,000,000 as provided by Chapter 18, Article 9D, Section 8 of the Code of West Virginia, 1931, as amended.

10. The Series 2013 A Bonds shall contain such redemption provisions including optional and extraordinary mandatory redemption prior to maturity as set forth in Exhibit B, attached hereto. The redemption prices for the Series 2013 A Bonds do not exceed 105% of the principal amount of the Series 2013 A Bonds

11. The Series 2013 A Bonds shall be issued in registered form in denominations of \$5,000 and integral multiples thereof.

12. The principal of the Series 2013 A Bonds is payable by check in lawful money of the United States to the registered owner of the Series 2013 A Bonds upon the surrender at the designated corporate trust office of United Bank, Inc., as the trustee, paying agent and registrar for the Series 2013 A Bonds. So long as Cede & Co. or its registered assigns shall be the registered owner of the Series 2013 A Bonds, payment shall be made by wire transfer.

13. The estimated costs of the Projects to be financed in whole or in part by the Series 2013 A Bonds under and pursuant to the School Building Authority Act shall be approximately \$ _____.

[Remainder of Page Intentionally Left Blank]

Witness my signature this ____ day of _____, 2013.

SCHOOL BUILDING AUTHORITY OF
WEST VIRGINIA

By: _____
Its: Chairperson

Schedule I

[Maturity Dates, Interest Rates and Redemption Provisions/Prices]

Schedule II

Application of Proceeds and Other Funds

The proceeds received from the sale of the Series 2013 A Bonds shall be deposited in trust with the Trustee. The Trustee shall allocate such deposit as follows:

- (1) The Trustee shall deposit the sum of \$ _____ into the Series 2013 A Project Fund, including \$ _____ in the Series 2013 A Capitalized Interest Account.

- (2) The Trustee shall deposit the sum of \$ _____ into the Series 2013 A Costs of Issuance Fund.

Exhibit A

OFFICIAL STATEMENT

Exhibit B

REDEMPTION PROVISIONS

EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT