

Oregon Facilities Authority

Minutes of Special Meeting of

July 26, 2018

A duly called special meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on July 26, 2018, commencing at approximately 3:00 p.m. at 888 SW Fifth Avenue, Suite 1600, Portland, Oregon.

Authority Members participating in the meeting (by phone, unless otherwise indicated) were: Chair Martha McLennan, Vice-Chair Eric Johansen, and Authority Members Sean Hubert, J. Kevin McAuliffe and Allyson Anderson.

Participating in the meeting to assist the Authority were: Gwendolyn Griffith, Executive Director of the Authority (in person); Duncan Brown and Pat Clancy of PFM, Financial Advisers; Michael Schrader, Scott Schickli, Steven White and Angie Gardner of Orrick, Herrington and Sutcliffe LLP, Lead Bond Counsel; Laura Lockwood-McCall, Lee Anaya and Alice Bibler of the Office of the State Treasurer ("OST"); and Linda McConkey of U.S. Bank.

Chair McLennan called the meeting to order and presented the notice of meeting.

Reconsideration of Conditional Final Approval for the application by Arco Iris Spanish Immersion School for an OFA Traditional Bond in an amount not to exceed \$12,100,000.

Ms. Christa Billings, Board Chair, Mr. Rob Timmons, Board Treasurer (in person), appeared on behalf of the Applicant. Mr. David Robertson of Lewis Young Robertson & Burningham, Inc., Financial Advisor to the Applicant (in person), appeared to assist with the presentation.

Mr. Robertson thanked the OFA Board and OST for their continued flexibility to assist the School. He then described the situation that led to the need for a reconsideration of conditional final approval. One of the conditions required by Resolution 2018-7 was not achievable but Bond Counsel had found an alternative pathway forward. Mr. Robertson then reported on behalf of the Applicant that all other issues have been resolved, the Applicant's Board has approved the issuance, and the documents are in final form. The construction contract is also final and ready for signature.

Mr. Schrader and Mr. Schickli described the situation in more detail. The bondholder representative certificate described in the conditions summarized in Resolution 2018-7 was required for Bond Counsel to issue its tax opinion. With Hamlin Capital Management LLC ("Hamlin") being unwilling or unable to provide that certificate, Bond Counsel proposed another solution, which required three different certificates, one from the Applicant, one from OFA, and one from the Underwriter. Mr. Schrader reported that all parties being asked for certificates had indicated their willingness to provide these. Therefore, the action for the Board is to remove the requirement from Resolution 2018-7 that Hamlin provides a bondholder representative certificate.

Ms. Lockwood-McCall thanked the financing team for working through these issues, and expressed her appreciation to Bond Counsel for its assistance in finding a pathway forward to allow this Applicant to close the financing.

Bond Counsel's report is included in the materials. Mr. Schrader recommended the transaction for conditional final approval.

The Executive Director's report is included in the materials. Ms. Griffith acknowledged the unusual nature and the condensed timeframe for the transaction and expressed her appreciation to the financing team for their efforts. Ms. Griffith recommended the transaction for conditional final approval.

After discussion, Vice-Chair Johansen moved that the Authority adopt Resolution 2018-8, which waived the condition of Hamlin delivering a bondholder representative certificate as described in Resolution 2018-7, and recommending that the State Treasurer consider issuing the bonds when the other conditions described in Resolution-7 have been satisfied. J. Kevin McAuliffe seconded the motion and Resolution 2018-8 was unanimously approved.

Chair McLennan asked for any public comment. There was none.

There being no further business to come before the meeting, the meeting was adjourned at approximately 3:25 pm.

/s/Martha McLennan
Martha McLennan, Chair

/s/Gwendolyn Griffith
Gwendolyn Griffith, Executive Director

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