Meeting #464

Adjourned Session of Meeting of March 28, 1980

Vice President Harms called the adjourned session of the regular State Board of Higher Education meeting of March 28, 1980, to order at 12:00 Noon, P.S.T., April 22, 1980, by conference telephone connection. The following Board members were present:

- Mr. Jonathan A. Ater
- Mr. Alvin R. Batiste
- Mrs. Jane H. Carpenter
- Mrs. Edith Green
- Mr. Edward C. Harms, Jr.
- Mr. Robert C. Ingalls
- Ms. Elizabeth Warner-Yasuda
- Mr. Loren L. Wyss

Absent: Mr. Lester E. Anderson had a conflict with another meeting; Mr. William C. Thorp III was attending a training session; and Mr. Louis B. Perry was out of the state.

Others Present: Chancellor R. E. Lieuallen; Secretary Wilma Foster, W. T. Lemman, Vice Chancellor for Administration; J. I. Hunderup, Vice Chancellor for Facilities Planning; Ross Hall, Controller; Francetta Carroll, Management Assistant; Richard Zita, Director of Public Services and Publications; Jan Lindsay, Administrative Assistant; Becky Young, Ashland Daily Tidings.

Acceptance of Bid for $11,895,000 State of Oregon, State Board of Higher Education Multi-Purpose Bonds, Series 1980 C, Articles XI-F(1) and XI-G

The Vice Chancellor for Administration reported that at 10:30 A.M., P.S.T., on April 22, 1980, three sealed bids were received, pursuant to an advertisement authorized by the Board of Higher Education at its special meeting held by conference telephone connection on March 13, 1980, for the proposed sale of $11,895,000 State of Oregon, State Board of Higher Education Multi-Purpose Bonds, Series 1980 C. Present were Mr. Richard D. Roberts of Ragen, Roberts, O'Scannlain, Robertson & Neill, Bond Attorneys; and Ms. Diane Hopper, Research Analyst, Municipal Debt Advisory Commission. The bonds were to be sold at a price of not less than $99 for each $100 par value thereof. Bids received for the bonds were as follows:

<table>
<thead>
<tr>
<th>Name of Bidder</th>
<th>Designated Maturities</th>
<th>Interest Rate</th>
<th>Total Coupon Interest Cost</th>
<th>Add Discount</th>
<th>Total Net Interest Cost</th>
<th>Effective Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon Bank, Chase</td>
<td>1983-1990</td>
<td>7.20%</td>
<td>$11,897,770.00</td>
<td>$118,582.20</td>
<td>$12,016,352.20</td>
<td>7.4223%</td>
</tr>
<tr>
<td>Manhattan Bank and Associates</td>
<td>1991-1995</td>
<td>7.25%</td>
<td>$12,025,210.00</td>
<td>$118,105.25</td>
<td>$12,143,415.25</td>
<td>7.5007%</td>
</tr>
<tr>
<td>The Northern Trust Company and Associates</td>
<td>1999-2000</td>
<td>7.50%</td>
<td>$12,044,872.50</td>
<td>$118,950.00</td>
<td>$12,163,822.50</td>
<td>7.5134%</td>
</tr>
<tr>
<td>Citibank, N.A., Bank of America, N.T.&amp;S.A.</td>
<td>1994</td>
<td>7.25%</td>
<td>$11,897,770.00</td>
<td>$118,582.20</td>
<td>$12,016,352.20</td>
<td>7.4223%</td>
</tr>
<tr>
<td>of Salomon Brothers and Associates</td>
<td>1997</td>
<td>7.50%</td>
<td>$12,044,872.50</td>
<td>$118,950.00</td>
<td>$12,163,822.50</td>
<td>7.5134%</td>
</tr>
</tbody>
</table>

Following the reading of the bids, the Vice Chancellor for Administration indicated that the most favorable bid was that of Oregon Bank, Chase Manhattan Bank and Associates, with a total net interest cost of $12,016,352.20 and an effective interest rate of 7.4223 percent per annum. He also stated that the bonds were to be in denominations of $5,000.

It was recommended that the low bid be accepted by adoption of the following resolution:
RESOLUTION

BE IT RESOLVED that the ELEVEN MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND DOLLARS ($11,895,000) STATE OF OREGON, STATE BOARD OF HIGHER EDUCATION MULTI-PURPOSE BONDS, SERIES 1980 C, sold to Oregon Bank, Chase Manhattan Bank and Associates, at $99.003 on the 22nd day of April, 1980, be issued to bear date the first day of June, 1980; to bear interest at the rate of 7.20 percent per annum for the bonds of the issue maturing on June 1, 1983 to 1990, inclusive; at the rate of 7.25 percent per annum for the bonds of the issue maturing on June 1, 1991 to 1995, inclusive; at the rate of 7.30 percent per annum for the bonds of the issue maturing on June 1, 1996; at the rate of 7.40 percent per annum for the bonds of the issue maturing on June 1, 1997 to 1998, inclusive; and at the rate of 7.50 percent per annum for the bonds of the issue maturing on June 1 of the years 1999 to 2000, inclusive; and

BE IT FURTHER RESOLVED that the bonds be issued to mature serially on the dates provided in the resolution of the Board duly adopted at its special meeting on March 13, 1980, and that both the principal of and interest upon the bonds be paid at the Fiscal Agency of the State of Oregon, in the City and State of New York; and

BE IT FURTHER RESOLVED that the said bonds and coupons annexed thereto be executed in the form prescribed in the resolution adopted by the Board at the March 13, 1980, meeting; and

BE IT FURTHER RESOLVED that the bonds be in denominations of $5,000, as provided in the resolution adopted by the Board at the March 13, 1980, meeting; and

BE IT FURTHER RESOLVED that the March 13, 1980, resolution of the Board authorizing the issuance of said bonds, and all acts performed by the Board in adopting the said resolution, and by the Secretary of the Board and the Vice Chancellor for Administration in connection with the issuance and sale of the said bonds, including the notice of bond sale and its publication in Oregon on April 7, 1980, and April 14, 1980, and in New York on April 7, 1980, be and they hereby are fully approved, ratified, and confirmed.

BE IT FURTHER RESOLVED that functions of the Secretary of the Board in preparing and providing of transcript material, and other actions relating to the bond issue shall be performed by the Secretary of the Board; and correspondingly, functions of the Vice Chancellor for Administration shall be performed by the Vice Chancellor for Administration or by the Management Assistant.

It was moved by Director Ater that the Board accept the low bid and adopt the proposed resolution. The Vice President of the Board stated that it had been moved that the Board accept the low bid as indicated and adopt the proposed resolution.

On roll call vote the Board voted on the adoption of the motion as follows:

Those voting yes: Directors Ater, Batiste, Carpenter, Green, Harms, Ingalls, Warner-Yasuda, Wyss.

Those voting no: None.

The Vice President of the Board declared said motion duly adopted by a unanimous vote.

ADJOURNMENT The meeting was adjourned at 12:15 P.M., P.S.T., April 22, 1980.

Louis B. Perry, President

Wilma L. Foster, Secretary
Oregon State Board of Higher Education