

MINUTES
MEETING OF THE BOARD OF TRUSTEES
APPALACHIAN STATE UNIVERSITY

Thursday, January 17, 2019

4:00 p.m.

Chancellor's Office Conference Room
B.B. Dougherty Administration Building, Campus

CALL TO ORDER: The Board of Trustees of Appalachian State University met via telephone conference at the call of the Acting Chair and Chancellor on Thursday, January 17, 2019, at 4:00 p.m. in the Chancellor's Office Conference Room of the B.B. Dougherty Administration Building on the campus of Appalachian State University in Boone, North Carolina. Acting Chair Scott K. Lampe presided and called the meeting to order.

MEMBERS PRESENT VIA TELEPHONE:

Susan M. Branch
Robert C. Hatley
Scott K. Lampe
DeJon M. Milbourne
Mark E. Ricks
E. Bonnie Schaefer
D. Kenan Smith
Carole P. Wilson

MEMBERS ABSENT:

James M. Barnes
M. Lee Barnes, Jr.
Donald C. Beaver
John M. Blackburn
Charles V. Murray

OTHERS PRESENT:

A. Dawn Antonucci
Sheri Everts
Hank T. Foreman
Paul D. Forte
Megan E. Hayes
Paul A. Meggett

OTHERS PRESENT VIA TELEPHONE:

George M. Baldwin
Philip C. Byers

CONFLICT OF INTEREST NOTICE: Acting Chair Lampe read the following statement:

Under the State Government Ethics Act, all voting members of the Board of Trustees have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for today's meeting, does anyone know that you have a conflict of interest or an interest that would give rise to the appearance of a conflict of interest? If so, please let me know. [None reported.]

ROLL CALL: Acting Chair Lampe ask Dawn Antonucci to call roll to verify all participants on the call.

New River Light and Power Gas Supply Resolution

Vice Chancellor for Business Affairs Paul Forte and General Counsel Paul Meggett presented a recommendation to approve the New River Light and Power Gas Supply Resolution and fielded questions.

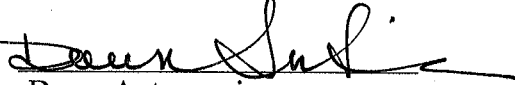
Trustee Robert C. Hatley read the Resolution and moved the Board approve the recommendation. (see Attachment 1)

The recommendation was approved unanimously.

ADJOURNMENT: There being no further business, the meeting adjourned at 4:23 p.m.

Scott K. Lampe, Acting Chair

By:


Dawn Antonucci

Assistant Secretary

FORM OF BUYER'S AUTHORIZING RESOLUTION

RESOLUTION] OF THE BOARD OF TRUSTEES OF APPALACHIAN STATE UNIVERSITY ("APPALACHIAN") (i) AUTHORIZING THE EXECUTION OF ONE OR MORE GAS SUPPLY CONTRACT ("CONTRACTS") WITH THE PUBLIC ENERGY AUTHORITY OF KENTUCKY ("PEAK") FOR THE PURCHASE OF NATURAL GAS FROM PEAK; (ii) AUTHORIZING THE EXECUTION OF A LETTER AGREEMENT WITH NTE CAROLINAS, LLC ("NTE") PURSUANT TO WHICH APPALACHIAN WILL DELIVER FUEL UNDER AN EXISTING POWER SALES AGREEMENT ("LETTER AGREEMENT"), (iii) ACKNOWLEDGING THAT PEAK WILL ISSUE ITS GAS SUPPLY REVENUE BONDS TO FUND THE PURCHASE OF A SUPPLY OF NATURAL GAS FROM MORGAN STANLEY CAPITAL GROUP INC. ("MSCG"), WHICH GAS WILL BE USED TO MAKE DELIVERIES UNDER THE CONTRACTS; AND (IV) FOR OTHER PURPOSES

WHEREAS, Appalachian owns and operates a state-owned electric utility, New River Light and Power, and is authorized by the provisions of Chapter 62 of the North Carolina General Statutes to acquire, purchase, transport, store and manage supplies of natural gas necessary to meet the requirements of the residential, commercial and industrial customers served by such utility; and

WHEREAS, the acquisition of secure, reliable and economic supplies of natural gas is necessary for the prudent and businesslike operation of the utility owned by Appalachian, the continued economic development of its community and the promotion of the public health, safety and welfare; and

WHEREAS, the Public Energy Authority of Kentucky, which was formed pursuant to the Natural Gas Acquisition Authority Act, KRS 353.400 to 353.410, has offered to sell to Appalachian, pursuant to the Contracts, a supply of natural gas in the quantities on the dates set forth in the Contract, on the condition that PEAK issues its Gas Supply Revenue Bonds, 2019 Series A, including multiple sub-series (the "Bonds"), the proceeds of which will be used to acquire a supply of natural gas (the "Gas Supply") pursuant to a Prepaid Agreement with MSCG (the "Prepaid Agreement"); and

WHEREAS, Appalachian and NTE are parties to that certain Power Sales Agreement dated as of February 2, 2016 (the "Power Sales Agreement") under which NTE will sell electricity to Appalachian beginning in January 2022; and

WHEREAS, NTE has offered to enter into the Letter Agreement in order to authorize Appalachian to deliver its own fuel under the Power Sales Agreement utilizing the Gas Supply; and

WHEREAS, Appalachian is a Public Agency, as such term is defined in the Gas Supply Contract, and desires to enter into the Contract with PEAK and the Letter Agreement with NTE.


NOW, THEREFORE, BE IT RESOLVED by the Appalachian Board of Trustees as follows:

1. Appalachian hereby approves the execution and delivery of (a) the Contracts, in substantially the forms previously submitted to Appalachian and attached hereto as Exhibit A, pursuant to which Appalachian will agree to purchase specified quantities of natural gas from PEAK, such deliveries to be made on the dates, at the volumes and for the prices set forth in such Gas Supply Contract.

2. Appalachian hereby approves the execution and delivery of the Letter Agreement, in substantially the form previously submitted to Appalachian as attached hereto as Exhibit B, pursuant to which Appalachian will deliver fuel under the Power Sales Agreement utilizing the Gas Supply.

3. The Chancellor of Appalachian, who may further delegate to the Vice Chancellor for Business Affairs, is hereby authorized to execute the Contracts, the Letter Agreement, and any such other closing documents or certificates which may be required or contemplated in connection with the execution and delivery of the Contracts or the Letter Agreement or carrying out the intent and purpose of this resolution.

APPROVED by the Board of Trustees of Appalachian State University at its meeting on January 17, 2019.



John M. Blackburn, Chair
Board of Trustees of Appalachian
State University

1-17-19

Date