

STATE PUBLIC WORKS BOARD

915 L Street, Ninth Floor
Sacramento, CA 95814-3701
(916) 445-9694

**STATE PUBLIC WORKS BOARD
SPECIAL MEETING**

October 21 1998

MINUTES**PRESENT:**

Robin Dezember, Chief Deputy Director, Department of Finance
Steve Olsen, Chief Deputy Director, Department of General Services
Michael Brennan, Department of Transportation
Donna Lucas, State Treasurer's Office
Barrett McInerney, State Controller's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member Joe Baca
Assembly Member Diane Martinez
Assembly Member Kevin Shelley
Senator Quentin L. Kopp
Senator Leroy F. Greene
Senator Richard G. Polanco

STAFF PRESENT:

James E. Tilton, Administrative Secretary, State Public Works Board
Vicky Albert, Executive Assistant, Department of Finance

OTHERS PRESENT:

John Baca, Department of General Services, Energy Assessments
Michael A. Moore, Department of General Services, RESD/PMB
Jean Kushida, State Treasurer's Office

CALL TO ORDER AND ROLL CALL:

The meeting was called to order by Mr. Robin Dezember, Chairperson, Chief Deputy Director, Department of Finance at 2:00 p.m. Mr. James E. Tilton, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

BOND ISSUES:

Mr. Tilton reported that there was one bond item.

Mr. Tilton noted that the bond item was for the sale of PWB bonds to refund the PWB State Energy Revenue Bond Program Lease Revenue Bonds. The current outstanding principal is approximately \$85 million. Consistent with the Board's policy to refinance those issuances that will generate a present value savings of 3 percent, the State Treasurer's Office estimates the sale not to exceed \$50,960,000 with a true interest cost not to exceed 5.679 percent.

A motion was made by Ms. Lucas and seconded by Mr. Brennan to approve Agenda Item #1 of the bonds calendar. The motion was unanimously adopted by a 5-0 vote.

CONSENT CALENDAR:

Mr. Tilton reported there were no consent items.

ACTION ITEMS:

Mr. Tilton reported there were no action items.

REPORTABLES:

Mr. Tilton reported there were no reportables.

OTHER BUSINESS:

Mr. Tilton reported there were no items of other business.

NEXT MEETING:

Mr. Tilton noted that the next PWB meeting is scheduled for November 13, 1998 at 10:00 a.m.

Having no further business, the meeting was adjourned at 2:03 p.m.

BOND ITEMS

BOND – ITEM 1

REFUNDING LEASE REVENUE BONDS

ENERGY EFFICIENCY

Statewide

Authority: California Government Code Sections 15814.15 and 15830

a. Adopt a resolution to include the following:

- (1) Authorize the sale of State Public Works Board (SPWB) bonds to refund the SPWB State Energy Efficiency Revenue Bond Program Lease Revenue Bonds 1991 Series A, 1995 Series A, 1996 Series A (Energy Efficiency).
- (2) Approve the form of and authorize the delivery of amendments to Energy Services Contracts.
- (3) Approve the form of and authorize the delivery of Construction Agreements and amendments to Construction Agreements, as needed.
- (4) Approve the form of and authorize the execution of one or more Indentures and amendments to Indentures, as needed.
- (5) Approve the form of and authorize the execution of one or more amendments to Resolutions, as needed.
- (6) Approve the form of and authorize the execution and delivery of one or more Preliminary Official Statements and Official Statements.
- (7) Approve other related actions in connection with the authorization, issuance, sale, and delivery of said lease revenue bonds and said refunding lease revenue bonds.

APPROVED.

BOND ITEMS

STAFF ANALYSIS – ITEM 1

Department of General Services, Energy Efficiency Refunding Lease Revenue Bonds

Action Requested

The requested action will authorize the issuance of refunding bonds for prior issuances that will be evaluated for refunding.

Scope Description

For the refunding, the maximum PAR is currently estimated not to exceed \$84,720,000 (the outstanding principals) a present value savings of 3 percent. This amount will be further refined by the Board meeting. These issuances and their outstanding principals are listed in Appendix A of the resolution that is in your backup material. While the authorization is for the entire outstanding principal, the refundings will undoubtedly be less since not all series will meet the Board's 3 percent threshold.

It is the Board's practice to proceed with refinancings which produce at least a 3 percent net present value savings over the original financings. In some instances, this requirement is waived for a portion of the maturities within an issue if the balance of the maturities merit refinancing and it makes sense to refinance the entire issue. The issues proposed for refinancing will meet this general criteria at the time of financing, or the State Treasurer will defer sale until market conditions are more favorable.

Staff Recommendations: Approve resolution.

CONSENT ITEMS

No Consent Items

ACTION ITEMS

No Action Items

OTHER BUSINESS

No Other Business

REPORTABLES

No Reportables

Date:

Respectfully Submitted,

JAMES E. TILTON
Administrative Secretary