



CALIFORNIA STATE
PUBLIC WORKS BOARD

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD

October 10, 2008

MINUTES

PRESENT:

Mr. Tom Sheehy, Chief Deputy Director, Department of Finance
Ms. Cindy McKim, Deputy Director, Department of Transportation
Mr. Jim Lombard, Deputy Controller, State Controller's Office
Mr. Francisco Lujano, Director Securities Management, State Treasurer's Office

STAFF PRESENT:

Greg Rogers, Administrative Secretary
Brian Dewey, Assistant Administrative Secretary
Chris Lief, Assistant Administrative Secretary
Theresa Gunn, Assistant Administrative Secretary
Stephen Benson, Budget Analyst
Madelynn McClain, Budget Analyst
Andrew Ruppenstein, Budget Analyst
Matt Schuller, Budget Analyst
John Silva, budget Analyst
Aurelia Bethea, Executive Secretary

CALL TO ORDER AND ROLL CALL:

Mr. Tom Sheehy, Chairperson of the SPWB and Chief Deputy Director of the Department of Finance, called the meeting to order at 10:03 a.m. Mr. Greg Rogers, Administrative Secretary for the SPWB, called the roll. A quorum was established.

The first order of business was approval and adoption of the Minutes from September 8, 2008.

A motion was made by Mr. Lujano and Second by Ms. McKim to approve and adopt the minutes from the September 8, 2008 meeting.

The minutes were approved by a 3-0 vote.

BOND ITEMS:

Mr. Rogers reported that there were a total of 18 bond items on the agenda. Given the number of bond items on the agenda, actions for similar bond items from each department were combined into a single vote. Hearing no objection from the Members, the Board moved on to the Bond Items.

Bond Items #1 through 11 were for the Department of Forestry and Fire Protection.

Bond Items # 1 through 3, 5, & 7 through 10 were for the following facility replacement projects:

*Altaville Auto Shop
Garden Valley Fire Station
Higgins Corner Fire Station
Madera-Mariposa-Merced Unit Headquarters*

Santa Clara Unit Headquarters
Siskiyou Unit Headquarters
Vina Helitack Base

The requested action would adopt a resolution for each project authorizing actions to be taken to provide for interim financing and the sale of lease revenue bonds. Staff recommended adoption and approval.

Mr. Lombard asked for an explanation of how there would be sufficient staffing to complete the projects.

Mr. Rogers stated that the Department of Forestry would be doing the Fire Stations projects and the other projects would be managed by Department of General Services who has the resources to manage those projects.

There were no further question from the Board and no comments from the public.

**A motion was made by Mr. Lombard and Second by Mr. Lujano to approve Bond Items 1 through 3, 5, and 7 through 10.
The 1st set of Bond Items was approved by a 4-0 vote.**

Bond Items # 4, 6, and 11 are for the following facility replacement projects:

Intermountain Conservation Camp
Miramonte Conservation Camp
Warner Springs Forest Fire Station

The requested action would adopt a supplemental resolution for each project authorizing actions to be taken to provide for interim financing and authorize the sale of bonds, consistent with increased project authority. Staff recommended adoption and approval.

Mr. Lombard noticed that the items were previously approved projects and believing that the cost increased, asked Mr. Rogers to address the issue. Mr. Rogers stated that for various items (six total on this agenda) we had to come back to the Board for what is called Supplemental Resolutions, requiring them to go back to the legislature and get additional authority to complete the projects they started. A lot of times during the preliminary plans phase, cost information is further refined, and it turns out the original cost estimate that the project was based on was incorrect and additional authority is required. The Public Works Board can only augment projects up to 20 percent. The supplemental resolutions are for projects whose cost has gone up more than 20 percent.

There were no additional comments or questions from the Board or the public on these items.

**A motion was made by Mr. Lombard and Second by Mr. Lujano to approve Bond Items 1 through 3, 5, and 7 through 10.
The 2nd set of Bond Items was approved by a 4-0 vote.**

Bond Items #12 & 13, were for the Department of Mental Health projects titled 'Napa State Hospital, Construct New Main Kitchen' and 'Patton State Hospital Construct New Main Kitchen' respectively.

The requested action would adopt a supplemental resolution for each project authorizing actions to be taken to provide for interim financing and the sale of lease revenue bonds, consistent with increased project authority. Staff recommended adoption and approval.

There were no comments or questions from the Board or public on these items.

A motion was made by Ms. McKim and Second by Mr. Lujano to approve Bond Items 12 and 13.

The 3rd set of Bond Items was approved by a 4-0 vote.

Bond Items #14 through 18 are for the Department of Corrections and Rehabilitations.

The projects are as follows:

Bond Items #14 through 17 are for the following projects:

California Men's Colony—Central Kitchen Replacement
California Rehabilitation Center—Men's Dormitory Replacement Phase II
Chuckawalla Valley State Prison - Wastewater Treatment Plant Improvements
Folsom State Prison—Convert Officer and Guards Building to Office Space

The requested action would adopt a resolution for each project authorizing actions to be taken to provide for interim financing and the sale of lease revenue bonds. Staff recommended adoption and approval.

There was no comment or question from the Board or public on these items.

A motion was made by Mr. Lujano and Second by Mr. Lombard to approve Bond Items 14 through 17.

The 4th set of Bond Items was approved by a 4-0 vote.

Bond Items # 18 is for the Department of Corrections and Rehabilitations,
San Quentin State Prison—Condemned Inmate Complex

The requested action would adopt a supplemental resolution for the project authorizing actions to be taken to provide for interim financing and authorize the sale of bonds, consistent with increased project authority. Staff recommended adoption and approval.

The Board commented on beginning construction phase and finance confirmed.

There were no further comments or questions from the Board or public on these items.

A motion was made by Mr. Lombard and Second by Ms. McKim to approve Bond Item 18. The Bond Item was approved by a 4-0 vote

CONSENT ITEMS:

Mr. Rogers reported that there were 13 items on the Consent Calendar this month. The Consent Calendar consisted of the following items:

- 2 request to authorize acquisition [Items 1 & 3]
- 1 request to authorize acquisition of real Property through the acceptance of a gift [Item 2]
- 5 request to approve preliminary plans [Items 4-7, 13]
- 5 request to authorize the use of Inmate Ward Labor [Items 8-12]

There was no 20-day letters for this agenda.

In summary: Staff recommended approval of the **Consent Calendar** consisting of Consent Items 1 through 13.

There were no questions or comments from the Board or the public.

A motion was made by Ms. McKim and Second by Mr. Sheehy to approve Consent Items 1 through 13.

The Consent Items were approved by a 2-0 vote.

ACTION ITEMS:

Mr. Rogers reported that there were no Action Items.

OTHER BUSINESS: There is one item under Other Business, which was to recognize the 2008 Financial Statements prepared by Gilbert and Associates for the Public Buildings Construction Fund and the High Technology Education Revenue Bond Fund. These financial statements were reviewed by staff and staff recommended the Board recognize the 2008 State Public Works Board Financial Statements.

A motion was made by Ms. McKim and Second by Mr. Sheehy to adopt the staff recommendation on the Other Business Item.

Other Business Item was approved by a 2-0 vote.

REPORTABLES:

Mr. Rogers reported that there were three reportable items Staff approved under authority delegated by the Board.

NEXT MEETING:

The next meeting is set for **Tuesday, October 21, 2008, at 10:00 AM, at the State Capitol, in Room 113**, and next regular meeting is scheduled for **November 14, 2008, at 10:00 am, at the State Capitol, in Room 113.**

There were no comments or questions from the public before adjournment.

Mr. Sheehy concluded the meeting at 10:15 a.m.