



CALIFORNIA STATE
PUBLIC WORKS BOARD

EDMUND G. BROWN JR. • GOVERNOR

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STATE PUBLIC WORKS BOARD
September 28, 2011

MINUTES

PRESENT:

Mr. Pedro Reyes, Chief Deputy Director, Policy, Department of Finance
Mr. Esteban Almanza, Chief Deputy Director, Department of General Services
Mr. Jim Lombard, Chief Administrative Officer, State Controller's Office
Mr. Francisco Lujano, Director, Securities Management, State Treasurer's Office

STAFF PRESENT:

Chris Lief, Assistant Administrative Secretary
Theresa Gunn, Assistant Administrative Secretary
Brian Dewey, Assistant Administrative Secretary
Cynthia Munoz, Executive Assistant
Manerva Cole, Executive Secretary
Jennifer Rockwell, Chief Counsel
Deborah Cregger, Staff Counsel
Shelly Renner, Staff Counsel
Madelynn McClain, Budget Analyst
Andrew Ruppenstein, Budget Analyst

CALL TO ORDER AND ROLL CALL:

Mr. Pedro Reyes, Chairperson of the Board and Chief Deputy Director of the Department of Finance, called the meeting to order at 10:17 a.m. Ms. Theresa Gunn, Assistant Administrative Secretary for the Board, called the roll. A quorum was established.

Mr. Reyes stated this was not one of our regularly scheduled meetings and this meeting was scheduled specifically to address items for the first fall bond sale. Therefore, the only items for discussion at this meeting were three bond items.

BOND ITEMS:

Ms. Gunn reported the three bond items being presented were for the Board to consider adopting resolutions to authorize a variety of activities and approve a variety of forms related to the Board's pending October sale. The bonds would be priced the week of October 10, 2011 and close a week later. The total bond issuance was estimated to be \$469.2 million and the proceeds would fund two Judicial Council courthouse projects, four Department of Corrections and Rehabilitation projects, two California State University projects, and would partially fund one Department of Corrections and Rehabilitation project through an asset transfer.

Ms. Gunn stated the three resolutions, one for each bond item, if approved and adopted, would authorize the issuance of the specified series of bonds of the State Public Works Board and would:

1. approve the form of and authorize the execution of the a stand-alone Indenture, a First Supplemental Indenture to incorporate the bonds into Series I Indenture pooled reserve fund;
2. Supplemental Indentures numbered 102 and 103, to the Board's Master Indenture;
3. Site Leases and Facility Leases;
4. Continuing Disclosure Agreements;
5. a Preliminary Official Statement and an Official Statement; and
6. as well as other related actions in connection with the issuance, sale and delivery of said revenue bonds.

Further the Continuing Disclosure Agreements were modified to conform to recent changes to the Security and Exchange Commission's Rule 15c-2-12.

Ms. Gunn then presented each bond item, summarized the projects that would be funded by each, the specific indenture for the item, the estimated and not-to exceed (NTE) PAR value, and NTE true interest cost (TIC). The PAR value, NTE PAR value, and NTE TIC for each item are as follows:

	PAR value	NTE PAR value	NTE TIC
Bond Item 1 (2011 Series A)	\$224.1 million	\$268.9 million	6.7%
Bond Item 2 (2011 Series B)	\$93.7 million	\$117.2 million	6.7%
Bond Item 3 (2011 Series C)	\$157.3 million	\$157.3 million	6.7%

There were no questions or public comment on Bond Items #1 & 2. On Bond Item #3, Mr. Reyes asked if the project being funded or leased was consistent with what the state is trying to accomplish in the realignment of corrections. Ms. Gunn confirmed it is consistent.

For each bond item a motion was made by Mr. Lombard and Seconded by Mr. Lujano to approve/adopt the staff recommendation. Each bond item motion was approved by a 4-0 vote.

NEXT MEETING:

The next meeting Public Works Board meeting is scheduled for October 13, 2011 at 10:00 a.m., at the State Capitol in Room 113.

There were no comments or questions from the public.

The meeting was concluded at 10:27 a.m.