



CALIFORNIA STATE
PUBLIC WORKS BOARD

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

STATE PUBLIC WORKS BOARD

March 8, 2013

PROPOSED MINUTES

PRESENT:

Ms. Jennifer Rockwell, Chief Counsel, Department of Finance
Mr. Esteban Almanza, Chief Deputy Director, Department of General Services
Mr. Malcolm Dougherty, Director, Department of Transportation
Mr. Ronald Placet, Senior Staff Counsel, State Controller's Office
Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

CALL TO ORDER AND ROLL CALL:

Ms. Jennifer Rockwell, Chairperson of the Board and Chief Counsel of the Department of Finance called the meeting to order at 10:00 a.m. Mr. Greg Rogers, Executive Director for the Board, called the roll. A quorum was established.

BOND ITEMS:

The first orders of business were the Bond Items. Mr. Greg Rogers, Executive Director of the Board, presented the bond items to the Board.

Mr. Rogers informed the Board that there are 4 Bond Items listed on the agenda, however, Bond Item #4 is being pulled from the agenda; therefore, there will be three Bond Items for the Board to consider for the upcoming March bond sale.

Mr. Rogers stated if the three bond items are approved by the Board, the bonds would be priced the week of March 19, 2013 and close on March 28, 2013. The total bond issuances are estimated to be \$422.5 million and the proceeds would fund two court projects, one Juvenile Facility and one University of California Project.

The Board was asked to approve and adopt three Resolutions, one for each series of bonds to be issued. If approved and adopted, these resolutions authorize the issuance and sale of the specified series of lease revenue bonds of the State Public Works Board for the specified projects.

Additionally, the Resolutions would approve:

1. The form of and authorize the execution of 115th, 116th, and 117th Supplemental Indentures to the Board's Master Indenture;
2. The form of and authorize execution of Site Leases and Facility Leases for each project;
3. The form of and authorize execution of Continuing Disclosure Agreements for each series;
4. The form of and execution of a Bond Purchase Agreement;
5. The form of and delivery of a Preliminary Official Statement and delivery of an Official Statement;
6. Bond Item #1, will approve the form of and authorize execution of Project delivery agreements;

7. Bond Item #2, it will approve the form of and, consent to and acknowledge a Facility Sublease between California Department of Corrections and Rehabilitation (CDCR) and the County of Stanislaus; and
8. The Resolutions will also approve other related actions in connection with the issuance, sale, and delivery of said revenue bonds.

Forms of these documents that are listed in the three Resolutions for approval were delivered to Board members a few days prior for review.

BOND ITEM #1: Mr. Rogers reported if approved, Bond Item #1 would authorize the issuance and sale of the State Public Works Board 2013 Series A Bonds to fund various Judicial Council Projects. Specifically, the bonds would fund the construction of the Hanford Courthouse located in Kings County and the Santa Clara Family Justice Center located in Santa Clara County.

Approval and adoption of the Resolution for Bond Item #1 also approves the form of and authorizes the execution of the 115th Supplemental Indenture to the Board's Master Indenture as well as the other forms previously mentioned. The estimated PAR value of the 2013 Series A bonds is \$333 million, with a not to exceed PAR of \$426.3 million and a not to exceed True Interest Cost (TIC) of 4.92%. Based on current market conditions, the bonds TIC is re estimated at 3.8%.

Staff recommended adoption and approval of Bond Item #1.

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

A motion was made by Mr. Almanza and seconded by Mr. Placet to approve Bond Item #1.

Mr. Rogers called a roll:

AYES

Ms. Jennifer Rockwell, Chief Counsel, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. Ronald Placet, Senior Staff Counsel, State Controller's Office

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

NOS

None

Bond Item #1 was approved by a 5-0 vote.

BOND ITEM #2: Mr. Rogers reported if approved, Bond Item #2 would authorize the issuance and sale of the State Public Works Board 2013 Series B Bonds to fund the Stanislaus Juvenile Facility. Specifically, the bonds would fund the state's contribution to the cost of the CDCR, Stanislaus Juvenile Facility located in the City of Modesto in Stanislaus County.

If the Board authorizes this series of Bonds, it will be the first sale of bonds that will be used for a project financed through any of the three county criminal justice facilities financing programs that are administered by CDCR. A unique characteristic of these financing programs is that the entire financed facility will be subleased to the respective participating county. As a result of the new

arrangement, the previously mentioned Facility Sublease is a new addition to the usual set of documents included in the bond sale transaction of the Board for this item.

Approval and adoption of the Resolution for Bond Item #2 also approves the form of and authorizes the execution of the 116th Supplemental Indenture to the Board's Master Indenture as well as the other forms previously mentioned. The estimated PAR value of the 2013 Series B bonds is \$13.8 million, with a not to exceed PAR of \$17.4 million and a not to exceed TIC of 4.88 percent.

Staff recommended adoption and approval of Bond Item #2.

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

A motion was made by Mr. Dougherty and seconded by Mr. Placet to approve Bond Item #2.

Mr. Rogers called a roll:

AYES

Ms. Jennifer Rockwell, Chief Counsel, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. Ronald Placet, Senior Staff Counsel, , State Controller's Office

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

NOS

None

Bond Item #2 was approved by a 5-0 vote.

BOND ITEM #3: Mr. Rogers reported if approved, Bond Item #3 would authorize the issuance and sale of the State Public Works Board 2013 Series C Bonds to fund the University of California Santa Barbara Davidson Library Project. Specifically, the bonds would fund the construction of the California Library Project located on the Santa Barbara Campus.

Approval and adoption of the Resolution for Bond Item #3 also approves the form of and authorizes the execution of the 117th Supplemental Indenture to the Board's Master Indenture as well as the other forms previously mentioned. The estimated PAR value of the 2013 Series C bonds is \$75.5 million, with a not to exceed PAR of \$96.9 million and a not to exceed TIC of 4.57 percent. Currently the Bonds are closely estimated at 3.6 percent or 3.7 percent interest rate.

Staff recommended adoption and approval of Bond Item #3.

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

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve Bond Item #3.

Mr. Rogers called a roll:

AYES

Ms. Jennifer Rockwell, Chief Counsel, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. Ronald Placet, Senior Staff Counsel, State Controller's Office

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

NOS

None

Bond Item #3 was approved by a 5-0 vote.

With the bond items concluded, the State Treasurer's Office and State Controller's representative were excused.

The next order of business was approval and adoption of the minutes from February 11, 2013 meeting. Mr. Rogers reported that staff had reviewed the minutes and recommend approval and adoption of the minutes.

A motion was made by Mr. Dougherty and seconded by Mr. Almanza to approve and adopt the minutes from the February 11, 2013 meeting. The minutes were approved by a 3-0 vote.

CONSENT ITEMS:

Mr. Rogers informed the Board there were 7 Consent Items. In summary, these items were proposed:

- 1 request to accept real property through a transfer of title, Item 1
- 1 request to approve preliminary plans, Item 2
- 1 request to authorize site selection, Item 3
- 2 requests to recognize project termination and final cost, Items 4 & 5
- 2 requests to establish scope, cost, and schedule, Items 6 & 7

Staff recommended approval of Consent Items 1 through 7.

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

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve Consent Calendar Items 1 through 7. The Consent Items were approved by a 3-0 vote.

OTHER BUSINESS and RERPORTABLES:

Mr. Rogers reported there were no other Business Items or Reportables this month.

NEXT MEETING:

Mr. Rogers stated the next State Public Works Board meeting is scheduled for **Monday, April 15, 2013, at 10:00 a.m., at the State Capitol, in Room 113.**

The meeting was adjourned at 10:10 a.m.