



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

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STATE PUBLIC WORKS BOARD

June 14, 2013

**MINUTES**

**PRESENT:**

Mr. Todd Jerue, Chief Operating Officer, Department of Finance  
Mr. Esteban Almanza, Chief Deputy Director, Department of General Services  
Mr. Richard D. Land, Chief Deputy Director, Department of Transportation

**CALL TO ORDER AND ROLL CALL:**

Mr. Todd Jerue, Chairperson of the Board called the meeting to order at 10:00 a.m. Ms. Manerva Cole, Executive Assistant for the Board, called the roll. A quorum was established.

The first order of business was approval and adoption of the minutes from the May 10, 2013 meeting. Mr. Greg Rogers, Executive Director of the Board, reported that staff had reviewed the minutes and recommend approval and adoption of the minutes.

**A motion was made by Mr. Land and seconded by Mr. Almanza to approve and adopt the minutes from the April 15, 2013 meeting. The minutes were approved by a 3-0 vote.**

**CONSENT ITEMS:**

Mr. Rogers informed the Board there were three Consent Items. In summary, the consent calendar consisted of the following requested actions:

- 1 request to authorize site selection, Item 1
- 1 request to approve preliminary plans and recognize revised project costs, Item 2
- 1 request to approve preliminary plans, recognize project costs, and approve the use of inmate/ward labor, Item 3

In summary, staff recommended approval of the Consent Calendar consisting of Consent Items 1 through 3.

Mr. Jerue asked if there were questions or comments from the Board or the public. There were none.

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

## **ACTION ITEMS**

Mr. Rogers reported Action Item #1 was a statewide item for the Department of General Services related to the Solar Photovoltaic Program, as it relates to Ground Mounted Solar Photovoltaic Systems impacting the Board's bond encumbered state owned lands.

If approved, the requested action would adopt a resolution approving the form of a Site License Agreement (SLA) and a Solar Power Purchase Agreement (SPPA) for ground mounted photovoltaic (PV) systems impacting state owned land encumbered by Board issued lease revenue bond financing. This resolution would also delegate the authority to consent to project specific SLAs and SPPAs to the Executive Director or any Deputy Director of the Board together with other approvals, consents, certificates, or agreements contemplated by the SLA and SPPA.

The Department of General Services (DGS) implemented a solar energy PV program for use by various state agencies in an effort to reduce grid-based energy purchases for state owned facilities. Under the SLA and SPPA, the solar service providers, selected through a competitive process overseen by DGS, agree to finance, build and operate the solar PV system at state owned facilities in return for the state agreeing to purchase the electricity produced from the Solar PV System for the 20 year term of the agreements.

Because of the covenants contained in the Board's financing leases and tax certificates, Solar PV Systems that are located on or connected to a site or facility encumbered with the Board's lease revenue bonds require different terms and conditions than the typical terms found in DGS's standard SLA and SPPA. DGS's typical SLA and SPPA have been restructured and modified to make it clear that the Board's lien on the state land/facility is superior to the solar providers and the security interest of the solar provider is a personal property interest limited to the solar equipment. Further, the terms of the SLA require the Board to approve the financing arrangements of the solar service provider to further ensure that financing does not run counter of the Board's bond covenants.

Once approved as a form, the SLA and SPPA should only require site specific modifications together with subsequent approval of the solar providers financing terms. Thus, for efficiency, staff is requesting the Board delegate to staff the necessary consent and approvals once the form agreements are adapted for project specific locations.

In summary, staff recommended adopting the Resolution approving the form of a Site License Agreement (SLA) and a Solar Power Purchase Agreement (SPPA) for ground mounted photovoltaic systems impacting state owned land encumbered by Board-issued lease revenue bond financing, and delegating the authority to consent to project specific SLAs and SPPAs to the Executive Director or any Deputy Director of the Board together with other approvals, consents, certificates, or agreements contemplated by the SLAs and SPPAs.

Mr. Jerue asked if there were questions or comments from the Board or the public. There were none.

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

## **OTHER BUSINESS:**

There were no Other Business items this month.

## **REPORTABLES**

Mr. Rogers informed the Board there were six Reportables this month:

- Department of Transportation, Los Angeles County:
  - Approved an augmentation, in the amount of \$905,000
- Department of Developmental Services, Orange, Tulare, and Sonoma Counties:
  - Approved an augmentation, in the amount of \$611,000
- Department of Developmental Services, Orange County:
  - Approved an increase within appropriation, in the amount of \$432,000
  - Approved a reversion of project savings, in the amount of \$4,015,000
- California Community Colleges, Los Rios Community College District, American River College, Sacramento County:
  - Approved an increase within appropriation, in the amount of \$432,000
  - Approved a reversion of project savings, in the amount of \$4,015,000
- California Community Colleges, Los Rios Community College District, Cosumnes River College, Sacramento County:
  - Approved a reversion of project savings, in the amount of \$2,282,000
- California Community Colleges, MiraCosta Community College District, MiraCosta College, San Diego County:
  - Approved a reversion of project savings, in the amount of \$87,000

## **NEXT MEETING:**

Mr. Rogers stated the next State Public Works Board meeting is scheduled for **Friday, July 12, 2013, at 10:00 a.m., at the State Capitol, in Room 113.**

Mr. Jerue asked if there were any comments or questions from the Board or the public. There were none.

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