



STATE PUBLIC WORKS BOARD

March 13, 2020

APPROVED MINUTES**PRESENT:**

Ms. Keely Bosler, Director, Department of Finance
Mr. Jim Davis, Chief Deputy Director, Department of Transportation
Mr. Daniel Kim, Director, Department of General Services
Mr. David Oppenheim, Deputy Controller, State Controller
Mr. Blake Fowler, Director of Public Finance, State Treasurer

CALL TO ORDER AND ROLL CALL:

Ms. Keely Bosler, Chairperson of the Board, called the meeting to order at 10:10 a.m.
Ms. Kat Lee, serving as Secretary to the Board, called the roll. A quorum was established.

BOND ITEMS:

The first order of business was to consider one Bond Item:

- Bond Item 1: Ms. Sally Lukenbill, Deputy Director for the Board, indicated that if approved, Bond Item 1 would adopt a resolution authorizing the sale of the 2020 Series A lease revenue refunding bonds, the release of excess funds from the Master Indenture Reserve Fund, and other related actions in connection with the issuance, sale, and delivery of the bonds.

Ms. Lukenbill noted that the 2020 Series A bonds, which had an estimated par amount of approximately \$1.443 billion, would advance refund on a taxable basis the Board's 2011 Series D, 2012 Series A, and 2013 Series A bonds, and achieve an anticipated net present value savings of approximately \$170 million, which was approximately 11.8 percent of the par amount of the refunded bonds.

Ms. Lukenbill stated that the 2020 Series A Bonds would be sold through a negotiated sale upon the terms and conditions set forth in the Bond Purchase Contract.

Ms. Lukenbill noted that there were three errors in the Staff Analysis for the Bond Item and corrected subsequent to posting.

Staff recommended adoption of the resolution.

Ms. Bosler asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Mr. Kim and seconded by Mr. Oppenheim to adopt the staff recommendation and adopt the resolution. The motion passed unanimously through a 5-0 roll-call vote (Ms. Bosler, Mr. Kim, Mr. Davis, Mr. Oppenheim, and Mr. Fowler all voting aye).

APPROVAL OF MINUTES:

The first order of business was to approve the minutes from the February 14, 2020 Board meeting.

Ms. Sally Lukenbill, Deputy Director for the Board, reported that Board staff had prepared and reviewed the minutes from the February 14, 2020 Board meeting, and recommended approval of the minutes.

Ms. Bosler asked if there were any comments or questions from the Board, or from the public. There were none.

A motion was made by Mr. Davis and seconded by Mr. Kim to approve the minutes from February 14, 2020. The motion passed unanimously through a 3-0 roll-call vote (Ms. Bosler, Mr. Davis, and Mr. Kim all voting aye).

The next order of business was to consider the Consent Calendar, which consisted of one item. Ms. Lukenbill presented the following:

- Consent Item 1: Consider approving an augmentation of \$10,275,000 for the four Health Care Facilities Improvement Program (Program) projects at 1) Calipatria State Prison, 2) Centinela State Prison, 3) Chuckawalla Valley State Prison, and 4) Ironwood State Prison, and recognize a scope change for one Program project at Chuckawalla Valley State Prison, for the Department of Corrections and Rehabilitation.

Ms. Lukenbill stated that the item required a 20-day notice to the Joint Legislative Budget Committee and fiscal committees in each house. On March 10th, a response to the letter was received, in which the Joint Legislative Budget Committee expressed frustration with the management of the Program, and requested that in the event of future funding requests, CDCR should be prepared to provide the Budget Committee with evidence of an improved oversight and management system.

Staff recommended approval of the Consent Calendar.

Ms. Bosler asked if there were any questions or comments from the Board, or from the public.

Mr. Davis noted that Mr. Borg from the Department of Corrections and Rehabilitation presented the department's program and direction at the February 14th Board meeting, and acknowledged that Mr. Borg responded in writing as to the department's protocol for change.

A motion was made by Mr. Kim and seconded by Mr. Davis to adopt the staff recommendation and approve the Consent Calendar. The motion passed unanimously through a 3-0 roll-call vote (Ms. Bosler, Mr. Davis, and Mr. Kim all voting aye).

ACTION ITEMS:

The next order of business was to consider one action item.

- Action Item 1: If approved, the action would adopt three resolutions of Necessity authorizing the use of eminent domain to acquire various properties for the High Speed Rail Authority.

Ms. Lukenbill stated that the parcels that were subject of the action were within the right of way for the Initial Operating Segment, Section 1 of the High Speed Train System.

On February 20, 2020, Notices of Intent to adopt a Resolution of Necessity were mailed to the property owners. The notice was sent in accordance with the Code of Civil Procedure section 1245.235.

Ms. Lukenbill noted that the members' briefing packages contained Resolutions of Necessity and maps for each of the properties and an objection letter from counsel representing the Neufeld property in Kern County, and High Speed Rail's response to the objection. Board counsel had reviewed the objections raised in the letter, and recommended that the Board move forward with the adoption of the Resolution of Necessity for the property and consider the Neufeld property separately from the two Resolutions of Necessity that did not receive objections or adverse comment.

Jesus Corral, serving as counsel to the Board on Eminent Domain Items, presented the unopposed Resolutions of Necessity for the Arvizu and Cedar Avenue properties. He explained that the unopposed Resolutions of Necessity before the Board had been reviewed to ensure there was prima facie evidence that the factors were present and that if the Board agreed and determined the factors were present, they may move to adopt the three Resolutions of Necessity.

Staff recommended adoption of the Resolutions of Necessity authorizing the use of eminent domain for the Arvizu and Cedar Avenue properties.

Ms. Bosler asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Mr. Davis and seconded by Mr. Kim to adopt staff recommendation. The motion passed unanimously through a 3-0 roll-call vote (Ms. Bosler, Mr. Davis, and Mr. Kim all voting aye).

Mr. Corral presented the opposed Resolution of Necessity for the Neufeld property in Kern County and explained that the property owner had lodged an objection that the proposed acquisition of the property does not meet the four conditions specified in Code of Civil Procedure Section 1245.230. The Resolution of Necessity, the objections, and the High Speed Rail Authority's response had been reviewed and it was counsel's opinion that there was prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 are present for the Neufeld property and if the Board agreed and determined the factors were present that they may move to adopt the Resolution of Necessity.

Staff recommended adoption of the Resolution of Necessity authorizing the use of eminent domain for the Neufeld property.

Ms. Bosler asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Mr. Kim and seconded by Mr. Davis to adopt staff recommendation. The motion passed unanimously through a 3-0 roll-call vote (Ms. Bosler, Mr. Davis, and Mr. Kim all voting aye).

OTHER BUSINESS:

NONE

REPORTABLES:

Ms. Lukenbill presented the reportable items and told the Board she would be happy to answer any questions. There were no questions or comments from the Board.

NEXT MEETING:

Ms. Bosler stated that the next Board meeting was scheduled for Friday, April 10, 2020 at 10am in Room 113 at the State Capitol.

Ms. Bosler asked if there were any other questions or comments from the Board, or from the public. There were none.

The meeting was adjourned at 10:27 am.