



STATE PUBLIC WORKS BOARD
September 15, 2023

FINAL MINUTES

PRESENT:

Gayle Miller, Director, Department of Finance
Jennifer Osborn, Director, Department of General Services
Juan Fernandez, Deputy Treasurer, State Treasurer
David Oppenheim, Deputy Controller, State Controller
Bryan Cash, Secretary, Natural Resources Agency

CALL TO ORDER AND ROLL CALL:

Gayle Miller, Chairperson of the Board, called the meeting to order at 10:04 am.
Maria Zadrán, Secretary of the Board, called the roll. A quorum was established.

BOND ITEMS:

The first order of business was to consider two bond items.

Bond Item 1:

Bond Item 1 would adopt a resolution, authorizing the sale of State Public Works Board 2023 Series C lease revenue refunding bonds, approve the form of various documents related to the sale, and authorize other related actions in connection with the issuance, sale, and delivery of the revenue bonds.

Sally Lukenbill, Executive Director of the Board, noted the Series 2023C bonds have an estimated par amount of approximately \$617 million, and the transaction is expected to result in a net present value savings of approximately \$79 million, which is approximately 11 percent of the par amount of the refunded bonds. The 2023 Series C bonds would be sold through a negotiated sale, as described in the Notice of Sale.

Ms. Lukenbill further stated the proceeds from the 2023 Series C Bonds will be used, along with other lawfully available moneys, to establish irrevocable escrows to refund and defease the Board's outstanding 2013 Series F, 2013 Series G, and 2013 Series I Bonds which financed the following projects:

2013F

California Department of Corrections and Rehabilitation

- Calaveras Jail
- San Bernardino Jail
- Shasta Juvenile Rehabilitation Center

2013G

California Department of Corrections and Rehabilitation

- Wasco State Prison (Leased Property)

- Health Care Facility Improvement Projects (Financed Facilities)
 - California Medical Facility
 - California State Prison
 - Richard J. Donovan Correctional Facility
 - California Institution for Women
 - California Institution for Men

2013I

Judicial Branch

- San Diego Central Courthouse

California Department of Food and Agriculture

- Animal Health and Food Safety Laboratory

Finally, Ms. Lukenbill noted that the Animal Health and Food Safety Laboratory facility is currently not available for use and occupancy. As a result, the Board has determined that, in connection with the issuance of the 2023C Bonds and the defeasance of the 2013I Bonds, the site lease and facility entered into in 2013 with respect to the Animal Health and Food Safety Laboratory would be terminated upon such issuance and defeasance.

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

A motion was made by Mr. Oppenheim and seconded by Mr. Fernandez to approve the Bond Item. The motion passed unanimously through a 4-0 roll-call vote (Ms. Miller, Ms. Osborn, Mr. Oppenheim, and Mr. Fernandez all voting aye).

Bond Item 2:

Bond Item 2 would adopt a resolution authorizing actions to provide for interim financing, authorize the sale of lease revenue bonds, approve the form of and authorize the execution and delivery of a Project Delivery Agreement, and other related actions for the construction of the New Ukiah Courthouse in Mendocino County for the Judicial Council of California.

Ms. Lukenbill noted that the scope of this project includes the design and construction of a new seven-courtroom, 82,000 gross square feet courthouse in the city of Ukiah. This new facility will replace the existing space in the Mendocino Superior Courthouse and the Willits Branch facility, creating operational efficiencies through consolidation of current court services.

Bonds for this project will be issued in an amount not to exceed \$142.3 million.

Ms. Miller asked if there are any comments or questions from the board or public on Bond Item 2. There were none.

A motion was made by Ms. Jennifer Osborn and seconded by Mr. Fernandez to approve the Bond Items 1 and 3. The motion passed unanimously through a 4-0 roll-call vote (Ms. Miller, Ms. Osborn, Mr. Oppenheim, and Mr. Fernandez all voting aye).

Ms. Miller thanked and excused Mr. Oppenheim and Mr. Fernandez.

MINUTES:

The next order of business was to approve the minutes from the July 21, 2023, and August 11, 2023, Board meetings.

Ms. Lukenbill stated that Staff had prepared and reviewed the minutes from the July 21, 2023, and August 11, 2023, Board meetings and recommend approval of those meeting minutes.

Ms. Miller asked if there were any questions or comments from the public. There were none.

A motion was made by Ms. Miller and seconded by Ms. Osborn to approve the minutes. The motion passed unanimously through a 2-0 roll-call vote (Ms. Miller and Ms. Osborn voting aye).

CONSENT CALENDAR:

Ms. Lukenbill stated that Consent Item 1 had been pulled and would not be voted on. She noted that the Consent Calendar included two Items for projects within the Natural Resources Agency and welcomed Mr. Cash as a voting member for those items.

Consent Item 2: The requested action would authorize the acquisition of real property, authorize the Executive Director and Deputy Directors of the State Public Works Board to execute a Property Acquisition Agreement and other such documents as may be required to complete the acquisition and would approve an augmentation of \$200,000 General Fund for the South Lake Tahoe Fire Station: New Facility in El Dorado County for the Department of Forestry and Fire Protection.

This request would authorize acquisition of a 14.9-acre parcel located in the city of South Lake Tahoe, in El Dorado County, for a purchase price of \$4.5 million. While the property is being acquired for a new fire station, the acquisition would also provide the opportunity to develop a formal park entrance to the Washoe Meadows State Park, for the Department of Parks and Recreation. The 637-acre park currently lacks a day-use entrance for public access. This acquisition would allow for an entrance road to the park, state park signage, and a parking lot. The Department of Parks and Recreation is providing \$1.5 million of the \$4.5 million price for the property for these activities.

This item also included a request for an augmentation of \$200,000 General Fund for due diligence studies and support costs necessary to effectuate the acquisition.

Consent Item 3: The requested action would authorize acquisition of real property and the execution of a Property Acquisition Agreement and other such documents as may be required to complete the acquisition, for the Statewide: Museum Collection Storage Facility in Sacramento County for the Department of Parks and Recreation.

This request would authorize the acquisition of 13.8 acres of property located at both 4940 Lang Avenue, in the town of McClellan Park, an unincorporated area of the County of Sacramento, and 4880 Straus Drive, in the City of Sacramento. The property is improved with approximately 317,000 square feet of office and warehouse space, and

parking spaces located on two parcels. The acquisition also included real property rights related to a non-exclusive bridge access easement and a non-exclusive easement for right of way, for ingress/egress purposes, for use by the state, its agents, employees, contractors, subcontractors, and invitees. The purchase price for the property is \$14.7 million, and the acquisition would allow the Department to continue to securely store its large museum collection, provide a state-of-the-art facility for training needs, and house fleet, supplies, tools, and staff from various units.

In addition, the Property is subject to covenants, conditions, and restrictions (CC&Rs) subjecting the owner to assessments – the current assessment that applies to the property is \$5,127.

Ms. Lukenbill stated that staff recommend approval of Consent Items 2 and 3.

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

A motion was made by Mr. Cash and seconded by Ms. Osborn. The motion passed unanimously through a 3-0 roll-call vote (Ms. Miller, Ms. Osborn, and Mr. Cash voting aye).

Ms. Miller thanked and excused Mr. Cash and requested everyone to join the Department of Finance picnic.

Ms. Miller noted that there were no Action Items or Other Business.

GENERAL PUBLIC COMMENT:

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

REPORTABLES:

Ms. Lukenbill presented the reportable items for the period of August 1, 2023, through September 1, 2023, and stated that the reportable items were included in the staff analysis and in the member's briefing packets.

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

NEXT MEETING:

Ms. Miller stated that the next Board meeting is scheduled for Friday, October 13, 2023. The location and time of the meeting will be posted on the Board's website.

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

The meeting was concluded.