



STATE PUBLIC WORKS BOARD

Gavin Newsom ■ Governor

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STATE PUBLIC WORKS BOARD

September 13, 2024

FINAL MINUTES

MEMBERS PRESENT:

Michele Perrault, Chief Deputy Director, for the Department of Finance
Jennifer Osborn, Chief Deputy Director, for the Department of General Services
Mike Keever, Chief Deputy Director, for the Department of Transportation
David Oppenheim, Deputy Controller, for the State Controller
William Pahland, General Counsel, for the State Treasurer
Bryan Cash, Deputy Assistant Secretary, for the Natural Resources Agency

MEMBERS ABSENT:

None.

CALL TO ORDER AND ROLL CALL:

Michelle Perrault, Chairperson of the State Public Works Board (Board), called the meeting to order at 10:00 a.m. Angela Noland, Secretary of 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:

Raghda Nassar, Deputy Director of the Board, stated that the requested action would adopt a resolution, authorizing the sale of State Public Works Board 2024 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.

Ms. Nassar stated that the Series 2024C bonds have an estimated par amount of approximately \$804 million, and the transaction is expected to result in net present value savings of approximately \$114 million, which is approximately 13 percent of the par amount of the refunded bonds. The 2024 Series C bonds would be sold through a negotiated sale, as described in the Purchase Contract.

Ms. Nassar continued stating that proceeds from the 2024 Series C Bonds would be used, along with other lawfully available moneys, to establish irrevocable escrows to refund and defease the Board's outstanding 2014 Series A, 2014 Series B and 2014 Series C Bonds, which financed the following projects:

Series 2014A

California Department of Corrections and Rehabilitation

1. RJ Donovan Correctional Facility: Medium Security Infill Complex
2. Mule Creek State Prison: Medium Security Infill Complex

Series 2014B

Judicial Branch

1. New Stockton Courthouse

Series 2014C

California Department of Corrections and Rehabilitation

1. North Kern State Prison: Various Buildings (Leased Property)
2. Health Care Facility Improvement Projects (Financed Facilities)
 - a. California State Prison, Sacramento
 - b. Mule Creek State Prison
 - c. California State Prison, Los Angeles County
 - d. California Institution for Men
 - e. Folsom State Prison

David Oppenheim, Deputy Controller, read a statement from State Controller, Malia Cohen, stating that this action would result in \$114 million worth of savings and represents prudent fiscal management by leveraging current market conditions to the benefit of the State and its taxpayers.

Ms. Perrault 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. Pahland to approve Bond Item 1. The motion passed unanimously through a 5-0 roll-call vote (Ms. Perrault, Ms. Osborn, Mr. Keever, Mr. Oppenheim, and Mr. Pahland all voting aye).

Ms. Perrault thanked and excused Mr. Oppenheim and Mr. Pahland.

MINUTES:

The next order of business was to approve the minutes from the August 9 and August 27, 2024, Board meetings.

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

A motion was made by Ms. Osborn and seconded by Mr. Keever to approve the minutes. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Ms. Osborn, and Mr. Keever all voting aye).

Consent Calendar A:

The next order of business was to consider Consent Calendar A which consisted of two items within the Natural Resources Agency.

Consent Item 1:

Ms. Nassar stated that Consent Calendar A included two Items for projects within the Natural Resources Agency, and Mr. Bryan Cash was in attendance as a voting member.

Ms. Nassar introduced consent item stating that if approved, the requested action would authorize the acquisition of real property, and the execution of such documents required to complete the acquisition, for the Trout Creek Upper Truckee Marsh Property in El Dorado County for the California Tahoe Conservancy.

The request would authorize acquisition of land totaling 0.29 acres, adjacent to the Upper Truckee Marsh and Trout Creek. The purchase price of the property is \$1.2 million.

The Budget Act of 2022 authorized \$14 million, including \$7.5 million Proposition 68, and \$6.5 million in reimbursements for this acquisition.

This acquisition is in support of the mission of the Conservancy, which includes the protection of the natural environment, provision of public access or public recreational facilities, and the preservation of wildlife habitat areas.

Consent Item 2:

Ms. Nassar continued to consent item 2 stating that if approved, 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 Almaden Fire Station in Santa Clara County for the Department of Forestry and Fire Protection.

The request would authorize the acquisition of 3.36 acres in the City of Jan Jose in Santa Clara County. The Property is currently being used by CAL FIRE as a fire station pursuant to an existing lease. The purchase price of the property is \$1.3 million.

The 2023 Budget Act authorized \$1.5 million General Fund for this acquisition.

The acquisition would allow CAL FIRE to continue utilizing the property as a fire station.

Ms. Perrault 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 to approve Consent Calendar A. The motion passed unanimously through a 4-0 roll-call vote (Ms. Perrault, Ms. Osborn, Mr. Keever, and Mr. Cash all voting aye).

Ms. Perrault thanked and excused Mr. Cash.

Consent Calendar B:

The next order of business was to consider four items on Consent Calendar B.

Consent Item 1:

Ms. Nassar stated that if approved, the requested action would approve an augmentation of approximately \$5.6 million Public Buildings Construction Fund (which is

7.1 percent of total project appropriations, and 14.3 percent cumulative) for the New Indio Juvenile and Family Courthouse in Riverside County for the Judicial Council of California.

Consent Item 2:

Ms. Nassar stated that if approved, the requested action would recognize a scope change and an anticipated deficit for the Peralta Community College District, College of Alameda: Aviation Complex Replacement in Alameda County for the California Community Colleges.

The authorized scope for this project includes the construction of a new building to replace the existing Aeronautical Technology Building A and material storage shed, modernization of the Aeronautical Technology Building B, demolition of existing buildings, and associated site work.

The request would expand the scope to include flood mitigation improvements to address the site's designation as a flood zone per FEMA and the United States Army Corps of Engineers.

Consent Item 3:

Ms. Nassar stated that if approved, the requested action would approve an augmentation of approximately \$3.9 million General Fund (which is 14 percent of total project appropriations, and 14 percent cumulative) for the Central Office Campus - Data Center Upgrades in Sacramento County for the Franchise Tax Board.

Consent Item 4:

Ms. Nassar stated that if approved, the requested action would approve an augmentation of approximately \$3.7 million General Fund (which is 2.9 percent of total project appropriations, and 12.8 percent cumulative) for the Turlock North Valley Laboratory Replacement project in Stanislaus County for the Department of Food and Agriculture.

Ms. Nassar noted that Consent Items 1, 2, and 3 required 20-day notices to the Chairs of the Joint Legislative Budget Committee and fiscal committees in each house. **The notice for Consent Item 1 was sent on August 28th, and the 20-day review period ends Tuesday September 17th; therefore, the approval of Consent Item 1 is contingent upon expiration of the 20-day legislative notification period without adverse comment. The notices for Consent Items 2 and 3 were sent on August 23rd and the notification period had expired without adverse comment.**

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

A motion was made by Mr. Keever and seconded by Ms. Osborn to approve the Consent Calendar. The motion passed unanimously through a 3-0 roll-call vote (Ms.

Perrault, Ms. Osborn, and Mr. Keever all voting aye).

OTHER BUSINESS:

None.

GENERAL PUBLIC COMMENT:

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

REPORTABLES:

Ms. Nassar presented the Reportable Items for the period of July 27, 2024, through August 30, 2024.

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

NEXT MEETING:

Ms. Perrault stated that the next Board meeting was changed from Friday, October 11, to Friday, October 4, 2024. The time and location of the meeting would be posted on the Board's website.

Ms. Perrault asked if there were any other questions or comments from the Board or from the public.

While adjournment was in process, a representative from the Department of General Services asked if the approval of Consent Item 4 was missed.

Ms. Perrault thanked the representative and apologized for the oversight. Ms. Perrault stated that Consent Item 4 did not require a notice to the Joint Legislative Budget Committee, and that the Board would vote on this item 4 separately.

Ms. Perrault asked if there were any questions or comments from the board or from the public on Consent Item 4. There were none.

A motion was made by Ms. Osborn and seconded by Mr. Keever to approve Consent Item 4. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Ms. Osborn, and Mr. Keever all voting aye).

Ms. Perrault stated that Consent Item 4 carried and adjourned the meeting at 10:12.