

**MINUTES OF THE  
CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK**

For the meeting held on

Tuesday, June 20, 2006  
1001 I Street - Second Floor  
Sierra Hearing Room  
Sacramento, California 95814

Chairwoman Karin Fish called the meeting of the California Infrastructure and Economic Development Bank (I-Bank) Board to order at approximately 1:30 p.m.

**1. Roll Call.**

Karin Fish represented the Secretary of the Business, Transportation and Housing Agency.

Francisco Lujano represented the State Treasurer.

Vince Brown represented the Director of the Department of Finance.

Rosario Marin, Secretary of the State and Consumer Services Agency.

**2. Executive Director's Report.**

Executive Director Stan Hazelroth updated the Board on recent I-Bank activities, including representing Business Transportation and Housing Agency Undersecretary Barry Sedlick at the Bay Area World Trade Center Conference in San Francisco, and at a presentation on goods movement with the Metropolitan Transportation Commission at the Port of Oakland. Mr. Hazelroth also reported staff activities inquiring into potential investment of funds associated with Infrastructure State Revolving Fund Program bonds and bonds issued on behalf of the Clean Water State Revolving Fund Program, recent bond site visits, I-Bank website updates, and that the external audit of the I-Bank funds covering the 2005-2006 fiscal year had commenced. Mr. Hazelroth further responded to an inquiry from Ms. Marin and indicated that the current audit firm has been retained to conduct audits for three years.

**Consent Items.**

- 3.** Approve minutes from the May 23, 2006 meeting.

Chairwoman Fish asked if there were any corrections or additions to the minutes. There being none, she entertained a motion to approve the consent items. Ms. Marin moved to approve the minutes and Mr. Brown seconded the motion. The Board unanimously approved the minutes.

**Action Items.**

- 4.** Adopt resolution approving the sale, issuance and delivery of a 501(c)(3) loan for the San Diego Society of Natural History, or a related party (San Diego), for an amount not to exceed \$1,300,000.

Ms. Barbara Lewis presented a staff report and introduced Ms. Vivian Van Horn, Senior Vice President and Manager of Wells Fargo Institutional Securities. Ms. Brooke Bassett, I-Bank Counsel, clarified that with respect to the “Sophisticated Investor Letter” mentioned in the staff report, an eligible investor is either a qualified institutional investor or an accredited investor. The two categories are allowed under the tax code and the SEC and investors must meet certain requirements. Ms. Van Horn added that completion of this project of mechanical upgrades would pave the way for the Dead Sea Scrolls and other “blockbuster” exhibits to follow such as Pompeii and the Darwin Exhibit. There being no further questions or comments, Chairwoman Fish entertained a motion to approve Resolution No. 06-26. Ms. Marin moved to approve the resolution and Mr. Brown seconded the motion. The Board unanimously approved resolution.

5. Adopt resolution approving the sale, issuance and delivery of 501(c)(3) revenue bonds for The Contemporary Jewish Museum, or a related party (San Francisco), for an amount not to exceed \$47,000,000.

Ms. Shelly Renner, I-Bank Counsel, presented a procedural item to the Board prior to the discussion of Agenda Item 5. Ms. Renner explained that the original agenda for this Board meeting was posted on Friday, June 9, 2006, and that the funding amount listed in Agenda Item No. 5 was subsequently edited with a revised agenda posted on Friday, June 16, 2006. Ms. Renner further explained that after the agenda was initially posted on June 9, 2006, I-Bank staff learned that the amount of the bonds shown on the agenda needed to be edited from \$45,000,000 to \$47,000,000. Staff also learned that there was an immediate need to have this item considered by the Board at the June 20th meeting, rather than postponing the Board’s consideration of the financing to a future meeting, so that the museum would not lose certain rights related to the project real property and under certain construction contract provisions. Ms. Renner advised the Board that pursuant to Government Code section 11125.3, “[A]n agenda may be edited in the event facts arise after the agenda has been posted and when there is a need to take immediate action on a particular item.” She explained that in order for the edit to be valid, the Board must unanimously approve the edit. Because of the need to take immediate action on this item, staff recommends approval of the edit on the amended agenda.

Chairwoman Fish entertained a motion to allow the edit of Agenda Item 5 to read “Adopt resolution approving the sale, issuance and delivery of 501(c)(3) revenue bonds for The Contemporary Jewish Museum, or a related party (San Francisco), for an amount not to exceed \$47,000,000.” Mr. Brown moved to approve the resolution and Ms. Marin seconded the motion. The Board unanimously approved the edit. Chairman Fish directed Ms. Lewis to proceed with the staff report on Agenda Item 5.

Ms. Lewis presented a staff report on the project and introduced members of the finance team for the Contemporary Jewish Museum, including: Ms. Connie Wolf, Executive Director and Chief Executive Officer of the Contemporary Jewish Museum, Mr. Rick Chisholm, Managing Director of Banc of America Securities, and Mr. Doug Brown, also of Banc of America Securities, both of whom are representing the underwriter on the project. Ms. Marin asked for clarification of

actual project cost estimates. Ms. Wolf responded that actual estimated hard and soft costs of the project totaled approximately \$46,000,000.

Chairwoman Fish entertained a motion to approve Resolution No. 06-27. Ms. Marin moved to approve the resolution and Mr. Lujano seconded the motion. The Board unanimously approved the minutes with a role call vote.

6. Adopt a resolution approving Infrastructure State Revolving Fund Program financing for the County of Kern in an amount not to exceed \$7,500,000.

Chairwoman Fish stated that this agenda item was postponed.

**Other Business.**

Chairwoman Fish called for any other business. There was none.

**Public Comment.**

Chairwoman Fish called for any public comment. There was none.

Chairwoman Fish moved to adjourn; Ms. Marin seconded the motion. Chairwoman Fish adjourned the meeting at approximately 1:55 p.m.