



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

For the meeting held on
Tuesday, April 28, 2015, at 2:00 p.m.
Department of Food and Agriculture
1220 N. Street, Auditorium
Sacramento, CA 95814

Chairman Mike Rossi called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:09 p.m.

1. Call To Order and Roll Call.

The following Board members were in attendance:

Mike Rossi, Chairman.
Eraina Ortega, for the Director of the Department of Finance.
Alan Gordon, for the State Treasurer.
Augustine Jimenez, for the Secretary of the State Transportation Agency.
Peter Luchetti, Governors Appointee.

The IBank staff members in attendance: Teveia Barnes, Ruben Rojas, Marilyn Munoz, and Nancee Trombley

Information Item:

2. Executive Director's Report.

The Executive Director, Ms. Teveia Barnes, did not provide a report to the Board this month as there were no new developments.

Consent Item:

3. Approve minutes from the meeting held on March 24, 2015.

Chairman Rossi called for questions or comments from the Board and the public on the minutes of the March 24, 2015 IBank Board meeting. Hearing no comments, Chairman Rossi entertained a motion to approve this consent item. Mr. Gordon moved to approve the minutes. Mr. Luchetti seconded the motion. The Secretary of the Board took the roll call vote, Mr. Jimenez, abstained from the vote, the balance of the Board voted affirmatively and approved the minutes.

Action Items:

4. Resolution No. 15-05 approving the public offering of variable rate revenue bonds in an aggregate principal amount not to exceed \$132 million to refinance the outstanding Series 2008 and Series 2011 bonds, initially issued by IBank for the benefit of The Colburn School and used to finance an eligible project located in the City of Los Angeles.

The following Colburn School representatives introduced themselves:
Seth Weintraub, Chief Financial Officer, The Colburn School

Adam Gentzel, VP Public Finance Group, Bank of America
Marc Baur, Orrick, Herrington & Sutcliffe

Chairman Rossi called for questions or comments from the Board.

Mr. Luchetti inquired about the maturity profile of the bond.

Mr. Weintraub indicated that the transactions consisted of two series (A & B) with an approximate principal amount of 50% and with a five (5) and seven (7) year tenure each having a soft Put on the back end. Mr. Luchetti also inquired about the staggering of the Put dates. Mr. Weintraub confirmed and referenced the five and seven year tenures.

Mr. Rossi requested that the staff report be amended to provide additional details regarding the rationale and the timing for this financial transaction.

Chairman Rossi called for questions or comments from the Board and the public. Hearing none, Chairman Rossi moved for approval subject to the condition precedent as stated above.

Mr. Gordon moved for approval subject to a revised staff report which indicates that this transaction is being conducted to avoid a Put. Mr. Luchetti second the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 15-05.

5. Resolution No. 15-06, approving the lending of Infrastructure State Revolving Fund Program funds to the City of Alameda in the amount of \$3,000,000 to finance a Portion of the City of Alameda's Emergency Operations Center and Fire Station No. 3 Project.

The following City of Alameda representatives introduced themselves:

Bob Haun, Public Works Director
Elena Adair, Finance Director
Douglas Long, Fire Chief
Andrico Penick, Assistant City Attorney

Chairman Rossi called for questions or comments from the Board.

Mr. Luchetti complemented IBank staff on the quality of the staff analysis and report.

Mr. Luchetti also commented on the importance of event risk and local government planning.

Mr. Gordon commented that current local planning does not require a financing mechanism for infrastructure improvements.

Chairman Rossi called for questions or comments from the Board and the public. Hearing none, Chairman Rossi moved for approval. Mr. Luchetti moved to approve, Mr. Jimenez seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 15-06.

6. Resolution No. 15-07, authorizing (A) the issuance by the California Infrastructure and Economic Development Bank (IBank) of the fixed-rate tax-exempt Infrastructure State Revolving Fund Revenue Bonds (2015 Bonds) and the use the proceeds, together with other funds available to IBank, to (i) refund IBank's outstanding Infrastructure State Revolving Fund Revenue Bonds, Series 2008 (the Refunded Bonds); (ii) finance and refinance loans to eligible borrowers for

infrastructure and economic expansion projects pursuant to IBank's Infrastructure State Revolving Fund Program (ISRF Program), (iii) fund the reserve fund, and (iv) pay costs of issuance and (B) providing for other related matters. The 2015 Bonds would be issued in an amount not to exceed a par amount of \$125,000,000.

Chairman Rossi called for questions or comments from the Board.

Mr. Jimenez inquired about the timing of the transaction. Ms. Barnes stated that the IBank has a significant pipeline of projects and thus the need for additional funds.

Chairman Rossi called for questions or comments from the Board and the public. Hearing none, Chairman Rossi moved for approval. Mr. Gordon moved for approval, Mr. Luchetti seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 15-07.

7. Resolution No. 15-08, approving the adoption of Directives and Requirements for the activities and programs of the IBank's Small Business Finance Center, including the Small Business Loan Guarantee Program.

Ms. Barnes stated that much work and due diligence had gone into the development of the Directives and Requirements, complimented Nancee Trombley and recognized the FDC's for their participation and input. Chairman Rossi called for questions or comments from the Board.

Mr. Jimenez confirmed that the IBank is exempt from the Administrative Procedures Act. Mr. Jimenez referenced Section 5000 (r) and requested that the term "Corporations" be defined within the document. Mr. Jimenez also offered to provide additional non-substantive edits offline. Mr. Luchetti requested that a red line version of the Directives and Requirements be provided to the Board.

Mr. Gordon inquired about the June 1, 2015 deadline and requested that this agenda item be postponed until the May 2015 IBank Board meeting. This will allow Mr. Jimenez's edits to be considered and IBank staff to provide a redline version of the document to all Board members.

Chairman Rossi called for questions or comments from the Board and the public.

Ms. Yolanda Benson, Government Strategies, Inc., thanked IBank staff and the Board for the work invested in the development of the Directives and Requirements.

Mr. Karl Zalazowski, President, Cal Costal Rural Development Corporation, thanked IBank staff for the support received over the last year. Mr. Zalazowski requested that Section 63089.80 (h) of the Directives and Requirements be revised to reflect;

The Proposed Directives and Requirements sets the maximum fee amount of a direct loan or other debt instrument amount not to exceed a net of two percent (2%).

Board Secretary Ruben Rojas confirmed with the Board that this item would not be voted on and would return to the Board as an action item on May 26, 2015.

Non-Action Business.

Chairman Rossi called for any public comment; there was none.

Public Comment.

Chairman Rossi called for any public comment; there was none.

Adjournment.

Chairman Rossi declared the meeting adjourned at approximately 2:47 p.m. The Secretary of the Board took the roll call vote and the Board unanimously adjourned the meeting.