

MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held on
Tuesday, September 25, 2018 at 2:00 p.m.
1325 J Street, Suite 1300
Sacramento, California 95814

Acting Chair Peter Luchetti called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:00 p.m.

1. Call to Order and Roll Call

The following Board members were in attendance:

Acting Chair, Peter Luchetti, Governor's Appointee
Augustin Jimenez for the Secretary of the California State Transportation Agency,
Blake Fowler for the State Treasurer's Office,
Kari Krogseng for the Director of the Department of Finance, and

IBank staff members in attendance were
Teveia Barnes, and William Pahland

Information Item

2. Executive Director's Report

Acting Chair Luchetti asked that Executive Director Teveia Barnes deliver the Executive Director's Report. Ms. Barnes asked that Emily Burgos, Small Business Finance Center ("SBFC") Manager, provide an update on the Jump Start program. Ms. Burgos reported that since her prior report the SBFC had not made any Jump Start Program loans, but had provided 45 hours of technical assistance to 13 new potential small businesses. Since its inception the Jump Start program has provided a total of 554 hours of technical assistance to 205 individuals and small businesses. Ms. Burgos also reported that the SBFC extended its first Disaster Relief Program loan guarantee to a small business that suffered economic injury from both the Thomas Fire and the Montecito mudslides in Santa Barbara County.

Ms. Barnes then informed the Board of her intent to retire from IBank and State service effective December 1, 2018. Acting Chair Luchetti thanked Ms. Barnes for her service and for the improvements to IBank instituted under her leadership. Mr. Jimenez then shared that he (and Transportation Secretary Brian Annis) had witnessed a significant revitalization of IBank's activities under Ms. Barnes leadership.

Consent Item

3. Approve minutes from the meeting held on August 28, 2018

Acting Chair Luchetti opened up discussion of the previous month's minutes. Acting Chair Luchetti confirmed that while Mr. Fowler did not attend the prior meeting, Mr. Fowler discussed the matter with Mr. Juarez (who was present) and who advised Mr. Fowler that the draft minutes were accurate and complete. Similarly, Acting Chair Luchetti confirmed that while Ms. Krogseng was not present at the prior meeting, she discussed the matter with Ms. Wong-Hernandez (who did attend the prior meeting) and who advised Ms. Krogseng that the draft minutes were accurate and complete. Acting Chair Luchetti confirmed that he and Mr. Jimenez were present at the prior meeting. Mr. Jimenez moved to approve minutes and Ms. Krogseng seconded the motion. The Board members voted unanimously to approve the August 28, 2018 Meeting Minutes.

Action Items

- 4. Resolution No. 18-13 approving the issuance of tax-exempt and/or taxable obligations, in an amount not to exceed \$11,700,000, to be sold to Wells Fargo Bank, N.A. through a private placement and loaning the proceeds to SRI International to refund the outstanding IBank Variable Rate Demand Revenue Bonds (SRI International Project) Series 2010 used to finance an eligible project located in the City of Menlo Park.**

Mr. John Weir, Municipal Finance Specialist, introduced Resolution 18-13. Mr. Weir introduced Mr. Barry Broadus, Chief Financial Officer of Borrower SRI International, and Sam Balisy of Kutak Rock, Bond Counsel. Mr. Pahland then advised the Board of an error in the Staff Report. The Staff Report indicated that Borrower board member David Hoyt did not participate in the borrower's vote on whether to proceed with the proposed financing. IBank staff included this in the Staff Report because staff believed Mr. Hoyt would recuse himself due to a perceived potential conflict of interest. However, after the Staff Report was published, IBank staff learned that Mr. Hoyt had no present actual conflict of interest and so proceeded to vote on the matter. Accordingly, Mr. Pahland corrected the inadvertent misstatement in the Staff Report. Acting Chair Luchetti then invited comments from Mr. Broadus. Mr. Broadus briefly discussed the project and thanked IBank for its consideration and assistance. Acting Chair Luchetti opened the discussion for Board questions. Hearing none, Acting Chair Luchetti then asked for public comment. Hearing none, Mr. Fowler moved for approval of the resolution and Mr. Jimenez seconded. The Board voted unanimously to pass Resolution 18-13.

Reporting/Non-Action Business

Acting Chair Luchetti then asked Ms. Barnes to report on any reporting/non-action items. Ms. Barnes directed the Board's attention to the SBFC Monthly Investment Transaction Report for the month ending July 31, 2018.

Public Comment

There was no further public comment.

Adjournment

Acting Chair Luchetti declared the meeting adjourned at approximately 2:18 p.m.