



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

For the meeting held on  
Tuesday, June 9, 2015, at 2:00 p.m.  
CA Infrastructure & Economic Development Bank  
1325 J Street, 18<sup>th</sup> Floor  
Sacramento, CA 95814

Acting Chairman, Peter Luchetti, called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 1:59 p.m.

**1. Call To Order and Roll Call.**

The following Board members were in attendance:

Eraina Ortega, for the Director of the Department of Finance  
Alan Gordon, for the State Treasurer  
Brian Annis, for the Secretary of the State Transportation Agency  
Peter Luchetti, Governor's Appointee--Acting Chair

The following IBank staff members were in attendance: Teveia Barnes, Diane Cummings, Marilyn Munoz, and Fariba Khoie.

**Information Item:**

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

Executive Director, Ms. Teveia Barnes, reported that the IBank's 2015A Bonds were priced on May 28, 2015 with the assistance of the State's Treasurer's Office, and that she viewed the pricing as very successful. Ms. Barnes stated that before pricing, Fitch Ratings and Standard and Poor's each confirmed its respective triple-A rating and Moody's Investor Services confirmed its Aa1 rating and increased its outlook to positive. Ms. Barnes further stated that (1) the True Interest Cost on the bonds is 3.14%; (2) the bonds decrease IBank's debt service requirements by over \$8.0 million and provide greater than \$3.3 million in cash flow savings; and that (3) the bonds will close on June 17, 2015. She added that Piper Jaffray and Jefferies were co-lead managers and that is was a very good team.

**Consent Item:**

**3. Approve minutes from the meeting held on May 26, 2015.**

Chairman Luchetti called for questions or comments from the Board and the public on the minutes of the May 26, 2015, IBank Board meeting. Hearing no comments, Mr. Luchetti entertained a motion to approve this consent item. Mr. Annis moved to approve the minutes. Ms. Ortega seconded the motion. The Secretary of the Board took a roll call vote. Mr. Luchetti, abstained from voting since he was absent from the May 26, 2015 meeting. The remaining members of the Board in attendance voted to approve the minutes.

**Action Items:**

4. Resolution No. 15-09 approving the issuance of Tax-Exempt Obligations in the principal amount not to exceed \$18 million to refinance the construction of two Discovery Science Center of Orange County (Discovery Cube OC), a California nonprofit public benefit corporation, facilities located in Santa Ana, California and to pay certain costs of issuance. This is a Private Placement transaction with Farmers and Merchants Bank of Long Beach.

Mr. Luchetti asked that representatives of Discovery Cube OC be introduced.

The following Discovery Science Center of Orange County representatives introduced themselves:

Mike McGee, Vice President and Chief Financial Officer, Discovery Science Center  
Kirk Dowdell, Financial Advisor, Dowdell Consulting Group  
Kevin Tiber, Farmers and Merchants Bank of Long Beach (F&M Bank)  
Sam Balisy, Kutak Rock LLP

Mr. Luchetti asked for questions or comments from the Board. Hearing none, Mr. Luchetti commented that the interest rate was low and asked if it had anything to do with the structure of the COPs. Mr. Tiber responded that the low rate was a combination of the 10-year maturity and that F&M Bank as a big lender to 503(c)(3) corporations takes community benefit type projects into consideration of its pricing.

Mr. Luchetti then commented that the guarantors were very interesting and found that to be a positive component. Mr. Tiber responded that they each have their own merit and had their own commitment to Orange County.

Mr. Luchetti then asked for public comment. Hearing none, he called for questions or comments from the Board and the public. Hearing none, Chairman Luchetti moved for approval. Mr. Gordon moved for approval. Mr. Annis seconded the motion. The Secretary of the Board took a roll call vote; the Board unanimously approved Resolution 15-09.

**Public Comment.**

Mr. Dowdell stated that Mr. McGee has put together an overview for the Board of the Discovery program and asked whether the Board would like to dispense with that. Mr. Luchetti stated that the Board has such information in its Board package but that he would let the Director decide. Ms. Barnes stated that Discovery could make a few observations and share why the project is important to them.

Mr. McGee stated that the Discovery's mission is to teach kids about science in a way that is a lot more fun and less intimidating. Discovery has teachers on staff that they send out into the community throughout the Los Angeles area; they target low income areas. They see about 250,000 kids per year. Its Santa Ana campus has interactive exhibits. Discovery's goal is to reach about 1.0 million people a year, but its campus is somewhat capacity constrained. The new wing will double the size of the facility. The new wing will be named *The California Natural Resources Pavilion* and teach kids about California's natural resources: how to conserve them, how to protect them, and how to use them. The building is a testament to conservation and the carbon footprint

reduction and is currently undergoing LEED certification. This tax-exempt bond will save Discovery approximately \$100,000 per year which affords Discovery the ability to provide free field trips to about 10,000 low income students. Mr. McGee, on behalf of his Board, thanked IBank for this opportunity.

Ms. Barnes stated that IBank had looked at this project under the ISRF Program, but found that it was not eligible and was happy that IBank found a way to do it.

**Adjournment.**

Mr. Luchetti asked for any other comments. Hearing none, he asked for a motion to adjourn. Mr. Gordon so moved; Mr. Annis seconded. The Secretary of the Board took a roll call vote; the Board voted unanimously to adjourn the meeting.

Mr. Luchetti declared the meeting adjourned at approximately 2:13 p.m.