

MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held telephonically on
Wednesday, September 23, 2020 at 2:00 p.m.

Due to the COVID-19 “Stay Home” order imposed in Sacramento County, IBank modified its Board meeting procedures in accordance with Governor Newsom’s Executive Order N-29-20 by waiving specified public access and notice requirements under the Bagley-Keene Open Meeting Act.

Consistent with the Executive Order, this meeting was conducted by publicly accessible electronic and telephonic means only. There was no physical meeting accessible to the public and none of the locations from which Board Members participated were open to the public.

Jaymie Lutz acted as the moderator of this call and Chair Chris Dombrowski, Acting Director of the Governor’s Office of Business and Economic Development, started by providing technical instructions to participants regarding participation and public comment.

Chair Dombrowski 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 attended by electronic means:

Chair, Chris Dombrowski, Acting Director of the Governor’s Office of Business and Economic Development,
Augustin Jimenez for the Secretary of the California State Transportation Agency,
Gayle Miller for the Department of Finance,
Fiona Ma, the State Treasurer, and
Marc Steinorth, Governor’s Appointee

IBank staff members attended by electronic means:

Scott Wu, Jaymie Lutz, William Pahland, Jr. and Stefan Spich

Information Item

2. Executive Director’s Report

Mr. Scott Wu, IBank’s Executive Director, delivered the Executive Director’s Report. Mr. Wu noted that currently the body of Ruth Bader Ginsburg was lying in repose at the Supreme Court for the public to wish a final farewell. He noted a personal memory of attending a party for Justice Ginsburg held in the chambers of the Supreme Court six years earlier where she was also serenaded by opera singer Denyce Graves, and noted how the courthouse that was designed to host the bitter conflicts of attorneys could transmit such beautiful acoustics of harmony. The event took place shortly after an NYU student had bestowed the nickname “Notorious RBG”, and when Mr. Wu inquired, the guests were delighted to hear her embrace the moniker associated with the deceased rapper.

Mr. Wu discussed Ms. Ginsburg’s life experiences, including the gender discrimination she encountered in her early legal career, and how those had impacted her judicial views. He

noted being personally inspired by her extensive workout routine and commitment to her work despite five bouts with cancer. He marveled at how, despite her diminutive frame, she exuded power and a towering presence with the weight of her words and intellect, and to her parting stature as a legal and moral conscience of the nation. He concluded by sharing Ms. Ginsburg's advice to "leave tracks" and that "there's no satisfaction equal to the satisfaction you get from knowing that you have made another's life, your community, a little better for your effort."

Mr. Wu then discussed a recent letter from Norcal FDC detailing the success of a walk-up restaurant in one of the most challenged neighborhoods in Oakland, and a separate heartwarming story of a single mother who was experiencing family tragedy while launching a start-up in Contra Costa. Both of these positive outcomes were the result of IBank's activities and represent IBank's positive impact on our communities.

Mr. Wu concluded by noting that Resolution 20-19 would be considered at the IBank's October Board meeting, as IBank was still waiting for certain deliverables from a rating agency.

Consent Item

3. Approve minutes from the meeting held August 26, 2020

Chair Dombrowski opened-up discussion of the previous meeting's minutes. Ms. Miller moved to approve the minutes and Mr. Steinorth seconded the motion. After asking for and receiving no public comment, the Board unanimously approved the August 26, 2020 Meeting Minutes.

Action Items

4. Resolution No. 20-16 approving substitution of leased assets of the North Tahoe Fire Protection District located in El Dorado County for ISRF Agreement No. BC14-096 for the benefit of the North Tahoe Fire Protection District.

Mr. Jim Rennie, of IBank's Loan Servicing Unit, introduced Resolution 20-16 and discussed the requested substitution of leased assets. Mr. Rennie noted there were no representatives from the District attending the meeting.

Mr. Jimenez asked why the District had requested the substitution. Mr. Rennie responded that the District wanted to lease certain space for a cell phone tower and removing the leasehold interest and substituting the new property would facilitate this process. Mr. Jimenez thanked Mr. Rennie.

Chair Dombrowski then asked for public comment. Hearing none, Ms. Miller moved for approval of the resolution and Mr. Steinorth seconded. The Board unanimously approved Resolution 20-16.

5. Resolution No. 20-17 approving lending Infrastructure State Revolving Fund Program funds to the County of Butte in an amount not to exceed \$12,000,000 to finance an eligible project known as the Evidence Storage Building and Morgue Project located in the City of Oroville.

Mr. John Weir, Public Finance Specialist, introduced Resolution 20-17 and discussed the project. He then introduced the representatives from Butte County: Meegan Jessee, Budget Director, Kory Honea, Sheriff-Coroner, Barbara Norman, Capital Improvement Project Manager, and Joanne Wilson, Management Analyst. Chair Dombrowski welcomed the representatives and asked them to comment on the project.

Mr. Honea noted this was a much-needed project to replace the County's current facilities. The project would centralize coroner operations and result in cost savings from reduced rent and provide one new full-time position. He thanked the Board for their consideration.

Ms. Jeesee then provided a status update on the financial impact of the North Complex Fire to County finances. She noted the fire was still burning in rural areas of the County, but an earlier evacuation order for Oroville and the project site had been lifted. She noted it was still too early to fully analyze the impact of the fire, but that, sadly, Butte County was now experienced in understanding the financial impacts of wildfires. Ms. Jeesee noted two major cost impacts of wildfires; the costs of emergency response efforts, and on-going impacts to the County general fund. Emergency response costs were the most immediate impact, but these are largely reimbursed by State and Federal sources, including CalOES and FEMA. Regarding impact to the general fund, she noted the burned area was rural and generated de minimis amounts of sales tax and the property tax impact was expected to be between \$100,000 and \$200,000. She noted this fire, though large in acreage, had a very different and much smaller financial impact than the 2018 Camp Fire.

Mr. Jimenez then asked about the project contingency amounts and reserves and how these had been determined. Ms. Jeesee responded that some of the County's sources of funds made the contingency appear larger than it actually was. She noted that contingency was largely determined by where the project was in the design process. Because this project had approximately 95% complete plans, it could have a smaller percentage of contingency. Mr. Jimenez thanked Ms. Jeesee for the answer.

Mr. Jimenez then asked IBank staff about certain financial analysis in the Staff Report and whether they had "looked back" and analyzed prior years budgets to test County's ability to finance project costs. Ms. Lina Benedict, Loan Unit Manager, confirmed that this was correct and that the analysis was that the County "could have" afforded this financing under prior year budgets. Mr. Jimenez thanked Ms. Benedict.

Chair Dombrowski then asked for public comment. Hearing none, Mr. Steinorth moved for approval of the resolution and Ms. Miller seconded. The Board voted unanimously to pass Resolution 20-17. Chair Dombrowski congratulated the County and thanked them for their diligent emergency response efforts.

6. Resolution No. 20-18 approving lending Infrastructure State Revolving Fund Program funds to the City of Santa Cruz in an amount not to exceed \$30,000,000 to finance an eligible project known as UV Replacement and Main Power Projects located in the City of Santa Cruz.

Ms. Lina Benedict introduced Resolution 20-18 and discussed the project. She then introduced the City's representatives: Anne Hogan, Wastewater Systems Manager, and Steve Wolfman, Senior Civil Engineer. Chair Dombrowski welcomed the representatives and asked them to comment on the project.

Mr. Wolfman began by noting that Ms. Benedict and Mr. Weir had been excellent to work with. The City was excited to get to work on these major and important improvements. Ms. Hogan added that the City had conducted an analysis of all the City's capital assets and infrastructure needs and this project had risen to the top as "most needed".

Chair Dombrowski then asked for public comment. Hearing none, Ms. Miller moved for approval of the resolution and Mr. Steinorth seconded. The Board voted unanimously to pass Resolution 20-18.

Reporting/Non-Action Business

Public Comment and Adjournment

Chair Dombrowski then asked for a final general public comment. Hearing none, Chair Dombrowski declared the meeting adjourned at approximately 2:30 p.m.