

STAFF SUMMARY RECOMMENDATION

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY Second Amendment to Resolution No. 255

April 25, 2013

PRIOR AMOUNT APPROVED: \$300,000,000

PRIOR APPROVAL DATES: April 24, 2008, as amended on March 17, 2010

FINANCING TEAM: Please see Attachment 2 to identify possible conflicts of interest

LOCATION: Stanford, CA, Santa Clara County

PURPOSE OF THE AMENDMENT: The Board of Trustees of the Leland Stanford Junior University (“Stanford”) seeks Authority approval of the Second Amendment to Resolution No. 255 to add projects to the authorized project list.

BACKGROUND: In April 2008, the Authority approved Resolution No. 255 for the benefit of Stanford, authorizing the issuance, from time to time, of tax-exempt commercial paper notes in an aggregate principal amount not to exceed, at any one time, \$300,000,000. Proceeds of such commercial paper notes were authorized to be used for the purposes of funding various capital projects. Resolution No. 255 was amended in March 2010 to include additional projects to the authorized project list.

At this time, Stanford requests Authority approval to add additional projects to the authorized project list, as identified in Attachment 1 of this Staff Report and Exhibit A of the Second Amendment to Resolution No. 255.

Environmental Benefits: As part of Stanford’s Capital Plan, they have adopted an “Energy and Climate Plan” that balances energy efficiency investment in new building construction and existing building retrofit. The comprehensive project, known as Stanford Energy System Innovations, is designed to provide the campus with a more efficient central energy plant that will include a heat recovery design, and once completed, will reduce greenhouse gas emissions by 50% and total campus water consumption use by 18%.

Stanford has provided documentation demonstrating that the additional projects comply with the California Environmental Quality Act - section 94212(b) of the Education Code.

RECOMMENDATION: Staff recommends that the Authority approve the Second Amendment to Resolution No. 255, subject to all prior provisions and conditions remaining unchanged and in full effect.

ATTACHMENT 1

Additional Projects

- 1651 Page Mill Road Renovations
- 3155 and 3165 Porter Drive Lab Renovations
- 3172 Porter Drive Office Modifications
- Anderson Collection at Stanford University
- Biomedical Innovation Building 1 (“BMI” formerly Foundations in Medicine “FIM1”)/Utility
- Bonair and Credit Union Distribution
- C.J. Huang Building (formerly 780 Welch Road or Asian Liver Center)
- Comparative Medicine Pavilion (“CMP”) (formerly known as Satellite Research Animal Facility/)
- Conduit-Welch Road Reinforcement
- Copper-Welch Road Reinforcement
- Crown Quadrangle Renovation
- CUP – Hot Water
- Distribution Upgrade – Oil Fuse Cutouts (“OFC”) Replacement
- Domestic Water Inter-Tie Upgrade
- Expansions
- Fairchild Renovations
- Fiber-LPCH Bohannon/Middlefield
- Forsythe Uninterruptable Power Supply (“UPS”) Replacement
- Freidenrich Center for Translational Research
- Helium Recovery and Liquefaction System
- ITS Conduit to SRCF
- Lighting and Boilers
- Main Control Center -2 (“MCC-2”) Replace/Boiler Re-Wiring
- Mayfield California Avenue, Faculty Staff Housing
- McFarland House 501 Conversion
- McMurtry Building
- Medical School Infrastructure
- Networking Load Balancer (ITS)
- New Biology Research Building (including connective elements and demolition)

- New Graduate Housing at Comstock
- Next Generation Firewall Infrastructure
- Packard Electrical Engineering Distributed Digital Control (“DDC”) System
- Pasteur Drive 8" Hot Water
- Paul Allen Building DDC Upgrade
- Paul Allen Building Annex DDC
- Photovoltaics
- Porter Drive Connective Elements
- R & DE Deferred Maintenance Backlog Projects
- Roble Gym Renovation
- Replacement Air Handlers 401 Quarry Road
- San Juan Reservoir Rehabilitation
- SESI Electrical Substation
- SESI piping and building conversions
- SESI High Voltage Intertie
- Solar Photovoltaic Modules
- Stanford Energy System Innovation (“SESI”) – Stanford Energy Center
- Stern Renovation for Integrated Learning Environment (“ILE”)
- Teaching Labs and Learning Center
- Tunnel Infrastructure – BMI 1 (formerly FIM 1)
- Wireless Infrastructure (ITS-AS)

ATTACHMENT 2

Financing Team

The Board of Trustees of the Leland Stanford Junior University

Borrower:	The Board of Trustees of the Leland Stanford Junior University
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Attorney General's Office
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer's Financial Advisor	Public Financial Management, Inc.
Dealers:	Goldman, Sachs & Co. J.P. Morgan Securities LLC Morgan Stanley & Co.
Borrower's Counsel:	Ropes and Gray, LLP
Paying Agent:	Deutsche Bank National Trust Company
Rating Agencies:	Moody's Investors Service Standard & Poor's Fitch Ratings
Auditor to the Borrower:	PricewaterhouseCoopers LLP

SECOND AMENDMENT TO RESOLUTION NO. 255

**RESOLUTION OF THE CALIFORNIA EDUCATIONAL FACILITIES
AUTHORITY AMENDING THE PROJECTS SET FORTH IN
RESOLUTION NO. 255, AS AMENDED, AUTHORIZING THE
ISSUANCE FROM TIME TO TIME OF COMMERCIAL PAPER
REVENUE NOTES TO FINANCE AND/OR TO REFINANCE
EDUCATIONAL FACILITIES FOR THE BOARD OF TRUSTEES OF
THE LELAND STANFORD JUNIOR UNIVERSITY**

April 25, 2013

WHEREAS, the California Educational Facilities Authority (the “Authority”), a public instrumentality of the State of California, is authorized and empowered by the provisions of the California Educational Facilities Authority Act (the “Act”) to issue bonds, notes, debentures or other securities, including commercial paper notes, to finance and refinance the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of educational facilities by participating private colleges (as defined in the Act) situated within the State of California;

WHEREAS, The Board of Trustees of the Leland Stanford Junior University (the “Borrower”) applied to the Authority for the issuance of its commercial paper notes in an aggregate principal amount not to exceed \$300,000,000 (the “Commercial Paper Notes”), to be issued from time to time on behalf of the Borrower to provide financial assistance to the Borrower to finance and refinance the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of certain of the Borrower’s educational facilities, as more fully described in Exhibit A attached to and incorporated in the Commercial Paper Resolution and the First Amendment to the Resolution (each as defined below) (collectively, the “Prior Projects”);

WHEREAS, the Authority authorized the Commercial Paper Notes with the adoption of Resolution No. 255 on April 24, 2008 (the “Commercial Paper Resolution”);

WHEREAS, on March 17, 2010, the Authority adopted a resolution amending the projects described in Exhibit A attached to the Commercial Paper Resolution (the “First Amendment to the Resolution”);

WHEREAS, the Borrower has determined that it is desirable to amend the projects for which the Commercial Paper Notes will be issued from time to time on behalf of the Borrower to provide financial assistance to the Borrower to finance and refinance the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of certain of the Borrower’s educational facilities, more fully described in Exhibit A attached hereto and incorporated herein (the “Projects”); and

WHEREAS, the Borrower has provided documentation to the Authority demonstrating that all parts of the Projects have complied with Division 13 (commencing with Section 21000) of the Public Resources Code, or are not projects under that division;

NOW, THEREFORE, BE IT RESOLVED by the California Educational

Facilities Authority as follows:

Section 1 The Commercial Paper Resolution, as amended by the First Amendment to the Resolution, are hereby supplemented and amended as follows: Exhibit A, which describes the Prior Projects, as attached to the Commercial Paper Resolution, as amended by the First Amendment to the Resolution, and referred to in the fourth WHEREAS clause of the Commercial Paper Resolution, shall be amended by Exhibit A, which describes the Projects, attached hereto and incorporated herein.

Section 2 Except as herein amended and supplemented, all of the findings, terms and provisions of the Commercial Paper Resolution, as amended by the First Amendment to the Resolution, are hereby ratified, confirmed and approved.

Section 3 This amendment shall take effect from and after the date of adoption.

Date of Adoption: _____

EXHIBIT A

PROJECTS DESCRIPTION

“Projects” means, collectively, all of the projects listed in Exhibit A to the original Commercial Paper Resolution, as amended by the First Amendment to the Resolution, which are incorporated herein by reference, plus the following additional educational facilities of the Borrower, but only to the extent that the cost thereof has been financed or refinanced from proceeds of the Commercial Paper Notes:

- 1651 Page Mill Road Renovations
- 3155 and 3165 Porter Drive Lab Renovations
- 3172 Porter Drive Office Modifications
- Anderson Collection at Stanford University
- Biomedical Innovation Building 1 (“BMI” formerly Foundations in Medicine “FIMI”)/Utility
- Bonair and Credit Union Distribution
- C.J. Huang Building (formerly 780 Welch Road or Asian Liver Center)
- Comparative Medicine Pavilion (“CMP”) (formerly known as Satellite Research Animal Facility/SRAF)
- Conduit-Welch Road Reinforcement
- Copper-Welch Road Reinforcement
- Crown Quadrangle Renovation
- CUP – Hot Water
- Distribution Upgrade – Oil Fuse Cutouts (“OFC”) Replacement
- Domestic Water Inter-Tie Upgrade
- Expansions
- Fairchild Renovations
- Fiber-LPCH Bohannon/Middlefield
- Forsythe Uninterruptable Power Supply (“UPS”) Replacement
- Freidenrich Center for Translational Research
- Helium Recovery and Liquefaction System
- ITS Conduit to SRCF
- Lighting and Boilers
- Main Control Center -2 (“MCC-2”) Replace/Boiler Re-Wiring
- Mayfield California Avenue, Faculty Staff Housing
- McFarland House 501 Conversion
- McMurtry Building
- Medical School Infrastructure
- Networking Load Balancer (ITS)
- New Biology Research Building (including connective elements and demolition)
- New Graduate Housing at Comstock
- Next Generation Firewall Infrastructure
- Packard Electrical Engineering Distributed Digital Control (“DDC”) System
- Pasteur Drive 8" Hot Water

- Paul Allen Building DDC Upgrade
- Paul Allen Building Annex DDC
- Photovoltaics
- Porter Drive Connective Elements
- R & DE Deferred Maintenance Backlog Projects
- Roble Gym Renovation
- Replacement Air Handlers 401 Quarry Road
- San Juan Reservoir Rehabilitation
- SESI Electrical Substation
- SESI piping and building conversions
- SESI High Voltage Intertie
- Solar Photovoltaic Modules
- Stanford Energy System Innovation (“SESI”) – Stanford Energy Center
- Stern Renovation for Integrated Learning Environment (“ILE”)
- Teaching Labs and Learning Center
- Tunnel Infrastructure – BMI 1 (formerly FIM 1)
- Wireless Infrastructure (ITS-AS)