

MINUTES

CALIFORNIA EDUCATIONAL
FACILITIES AUTHORITY (CEFA)
5th Floor Conference Room
915 Capitol Mall, Room 587
Sacramento, California 95814

Wednesday, March 17, 2010

1:00 PM

Deputy Treasurer Patricia Wynne, serving as Chairperson, called the CEFA meeting to order at 1:10 p.m.

CEFA Roll Call

Members Present: Patricia Wynne for Bill Lockyer, State Treasurer, Chairperson
Ruth Holton-Hodson for John Chiang, State Controller, Vice-Chairperson
Dianna Ducaay for Ana Matosantos, Director, Department of Finance
Sylvia Scott-Hayes

Member Absent: Michael Jackson

Staff Present: Ronald Washington, Executive Director
Rosalind Brewer, Deputy Executive Director

Chairperson Wynne declared a quorum present.

The minutes from the California Educational Facilities Authority's ("CEFA") February 25, 2010 meeting were moved to the next Board meeting for approval.

CEFA's Executive Director's Report

Mr. Washington provided an update on the Bond Issuance Guidelines, stating the Working Group has been working on revisions and plans to bring recommendations to the Board at the April meeting.

Mr. Washington reported as of February 28, 2010, total debt issued for CEFA was approximately \$9,574,543,538 and total debt outstanding was \$4,616,543,899, and the CEFA fund balance reflected \$4,677,490. Mr. Washington reported as of February 28, 2010, the Student Loan Program had issued approximately \$265,372,500 in bonds, \$21,590,000 bonds currently outstanding, and a fund balance of \$7,588,884.

Item #4

Stanford University Resolution No. 273

Ms. Maldonado of staff stated Stanford University (Stanford) was requesting \$918,315,000 in bond proceeds to be used to support various planned capital expenditures and improvements at Stanford as part of its on-going capital plan. In addition, Stanford seeks to refund all or a portion of its CEFA Series P, Q, R, S, and T-4 bonds. Representing Stanford: Ms. Odile Disch-Bhadkamkar, Treasurer, Stanford University; and Mr. Richard Hiscocks, Esq., Orrick, Herrington & Sutcliffe LLP, Bond Counsel.

Staff recommended the Authority approve a Resolution in an amount not to exceed \$918,315,000 for Stanford University subject to a bond rating of at least an "A" category by a nationally recognized rating agency and meeting the Authority's standard bond covenants for "A" category rated debt and satisfactory conclusion of the TEFRA hearing and approval.

Ms. Disch-Bhadkamkar stated Stanford has been in a multi-year initiative to build eight large scientific buildings, four buildings for the school of engineering, the Y2E2 Environment and Energy Building, and three additional buildings for the School of Medicine, two of which are near completion. Ms. Disch-Bhadkamkar stated those projects alone make up about 44% of the project approval list. In addition, Ms. Disch-Bhadkamkar stated Stanford has several housing projects underway to house graduate students on campus and are near completion. The projects include a renovation of a dormitory and the new Graduate School of Business campus, bringing the approved project list up to 80%. The remainder of the funds will be used for infrastructure, renovations and networking projects. Ms. Disch-Bhadkamkar said that a number of these projects have been financed with tax-exempt commercial paper (TECP) and Stanford now seeks to retire some of the TECP.

Ms. Wynne asked if Stanford anticipates favorable conditions in the market.

Ms. Disch-Bhadkamkar said they are currently looking at favorable market conditions.

Mr. Washington stated he was certain that with Stanford's reputation, they would be well received in the market.

Ruth Holton-Hodson moved for adoption of the Resolution and Sylvia Scott-Hayes seconded the motion. The motion was adopted 4-0.

Item #5

Stanford University Amendment to Resolution No. 255

Ms. Maldonado of staff stated Stanford University (Stanford) was seeking Authority approval to amend Exhibit A of Resolution No. 255 to include additional projects to the authorized project list in the issuance of its tax-exempt commercial paper notes. Representing Stanford: Ms. Odile Disch-Bhadkamkar, Treasurer, Stanford University; and Mr. Richard Hiscocks, Esq., Orrick, Herrington & Sutcliffe LLP, Bond Counsel.

Staff recommended the Authority approve an Amendment to Resolution Number 255 to include additional projects on the authorized project list, subject to all prior provisions and conditions remaining unchanged and in full effect, and satisfactory conclusion of the TEFRA hearing and approval.

Ms. Dish-Bhadkamkar stated this amendment was needed to leverage their TEFRA.

Mr. Hiscocks complemented the efficiency of staff.

Silvia Scott-Hayes moved for adoption of the Resolution and Ruth Holton-Hodson seconded the motion. The motion was adopted 4-0.

With no public comment for CEFA, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

Ronald L. Washington
Executive Director