

**POOLED MONEY INVESTMENT BOARD**  
**JUNE 16, 2010**  
**Staff Report – Agenda Item 7**

**RECOMMENDATIONS**

1. **Loan Renewal Requests.** Staff recommends approval of the fourteen AB 55 loan renewal requests (Items 7. a - n) on the June 16, 2010 agenda in the amounts shown on column g of Exhibit A. The recommended amounts reflect either a decrease of the amount of the existing loan as requested by the department or an increase necessary for the requesting department to pay accrued interest and/or costs authorized by Department of Finance’s (DOF) Budget Letter 09-09. All renewed loans will be subject to the freeze as described in Recommendation 3.

2. **New Loan Requests.** Staff recommends the approval of the following three new loan requests on the agenda:

**Item 7.o                    Department of Corrections and Rehabilitation**  
DeWitt Nelson Correctional Facility: \$14,269,642 requested. The loan proceeds would be used to fund Preliminary Plans and partial Working Drawings for this project.

**Item 7.p                    Department of Corrections and Rehabilitation**  
Estrella Correctional Facility: \$8,847,000 requested. The loan proceeds would be used to fund Preliminary Plans and partial Working Drawings for this project.

**Item 7.q                    Department of Corrections and Rehabilitation**  
California Health Care Facility: \$40,321,600 requested. The loan proceeds would be used to fund establishing Performance Criteria for this project (it is a Design-Build project).

**Comments:**            Staff recommends approval of these three loans based on the following:

- The loan amounts identified above have been included in the Department of Finance’s (DOF) Budget Letter 09-09 as allowable disbursements.
- The federal court overseeing the *Coleman v. Schwarzenegger* proceedings has approved the AB 900 projects identified above as part of the department’s long-range plan submitted to the court. Per the court’s January 4, 2010 order, the projects are scheduled to be reviewed quarterly and for any project that has departed from the promised timeframes, the State shall describe with specificity the reason for the departure and shall identify the individuals or agencies whose acts or failures to act contributed to the departure.

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2. **New Loan Requests** (Continued)

- Finally, as a prerequisite for the issuance of AB 900 bonds, DOF must receive legislative approval as well as State Public Works Board (SPWB) approval for each proposed project. Items 7.o - q all have obtained both legislative and SPWB approval.

3. **AB 55 Loan Disbursement Freeze.** Staff recommends that the Pooled Money Investment Board continue the freeze on disbursements for approved AB 55 loans except for disbursements authorized by Department of Finance's Budget Letter 09-09.

EXHIBIT A

POOLED MONEY INVESTMENT BOARD  
 LOAN REQUESTS (AB 55 LOANS)  
 For the June 16, 2010 PMIB Meeting

Agenda Item	New or Renewal	Old Loan No.	New Loan No.	Fund No.	Type	Department/Program	[a]	[b]	[c]	[d] Commercial Paper Adjustment			[g]	[h]	[i]	[j]	[k]
							New Loan Amount per Loan Application	Original Amount of Existing Loan	Impact on the Pool	Amount of CP or Bonds Issued (since previous loan)	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP	Finance Committee or Board Approval Needed?
<b>RENEWAL REQUESTS</b>																	
<b>GO</b>																	
No GO June Loans																	
<b>REV</b>																	
a	Renewal	0900005	0900084	0660680	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds San Luis Obispo Ranger Unit Headquarters: Replace Facility	\$ 77,000.00	\$ 88,159.00	\$ (11,159.00)	N/A	N/A	N/A	\$ 77,000.00	\$ (11,159.00)	BF	NO	No
b	Renewal	0900006	0900085	0660672	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Alma Helitack Base: Replace Facility	\$ 382,000.00	\$ 466,935.00	\$ (84,935.00)	N/A	N/A	N/A	\$ 382,000.00	\$ (84,935.00)	BF	NO	No
c	Renewal	0900007	0900086	0660508	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Paso Robles Forest Fire Station: Replace Facility	\$ 97,000.00	\$ 209,022.00	\$ (112,022.00)	N/A	N/A	N/A	\$ 97,000.00	\$ (112,022.00)	BF	NO	No
d	Renewal	0900008	0900087	0660540	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Las Posadas Forest Fire Station: Replace Facility	\$ 45,000.00	\$ 142,028.00	\$ (97,028.00)	N/A	N/A	N/A	\$ 45,000.00	\$ (97,028.00)	BF	NO	No
e	Renewal	0900009	0900088	0660548	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Fawn Lodge Forest Fire Station: Replace Facility	\$ 97,000.00	\$ 201,925.00	\$ (104,925.00)	N/A	N/A	N/A	\$ 97,000.00	\$ (104,925.00)	BF	NO	No
f	Renewal	0900010	0900089	0660553	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Westwood Forest Fire Station: Replace Facility	\$ 82,000.00	\$ 190,164.00	\$ (108,164.00)	N/A	N/A	N/A	\$ 82,000.00	\$ (108,164.00)	BF	NO	No
g	Renewal	0900011	0900090	0660659	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: Career and Technical Education Complex and Service Yard	<del>\$ 2,472,933.00</del> \$ 2,135,000.00	\$ 2,437,328.00	\$ (302,328.00)	N/A	N/A	N/A	\$ 2,135,000.00	\$ (302,328.00)	BF	NO	No
h	Renewal	0900012	0900091	0660500	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: New Gymnasium and Pool Center	<del>\$ 2,447,868.00</del> \$ 2,341,000.00	\$ 2,314,539.00	\$ 26,461.00	N/A	N/A	N/A	\$ 2,341,000.00	\$ 26,461.00	BF	NO	No
i	Renewal	0900013	0900092	0660502	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: Kitchen and Dining Hall Renovation	\$ 606,145.00	\$ 640,475.00	\$ (34,330.00)	N/A	N/A	N/A	\$ 606,145.00	\$ (34,330.00)	BF	NO	No
j	Renewal	0900018	0900093	0660501	REV	Department of Mental Health SPWB Lease Revenue Bonds Atascadero State Hospital: 250-Bed Addition Remediation	\$ 6,199,461.00	\$ 6,665,000.00	\$ (465,539.00)	N/A	N/A	N/A	\$ 6,199,461.00	\$ (465,539.00)	BF	NO	No
k	Renewal	0900015	0900094	0660503	REV	Department of Developmental Services SPWB Lease Revenue Bonds Porterville: Construct New Main Kitchen	\$ 2,825,836.00	\$ 2,360,304.00	\$ 465,532.00	N/A	N/A	N/A	\$ 2,825,836.00	\$ 465,532.00	BF	NO	No
l	Renewal	0900017	0900095	0660655	REV	California Conservation Corps SPWB Lease Revenue Bonds Delta Service District Center	<del>\$ 2,270,633.00</del> \$ 1,805,989.00	\$ 2,079,902.00	\$ (273,913.00)	N/A	N/A	N/A	\$ 1,805,989.00	\$ (273,913.00)	BF	NO	No
m	Renewal	0900021	0900096	0660588	REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 CA Medical Facility, Vacaville: Enhanced Outpatient Program Treatment, Program, and Office Space	\$ 7,291,291.00	\$ 3,346,000.00	\$ 3,945,291.00	N/A	N/A	N/A	\$ 7,291,291.00	\$ 3,945,291.00	BF	NO	No
n	Renewal	0900022	0900097	0660568	REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Los Angeles County: Enhanced Outpatient Program Treatment and Office Space	\$ 2,322,249.00	\$ 694,000.00	\$ 1,628,249.00	N/A	N/A	N/A	\$ 2,322,249.00	\$ 1,628,249.00	BF	NO	No

**EXHIBIT A**

Agenda Item	New or Renewal	Old Loan No.	New Loan No.	Fund No.	Type	Department/Program	[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]	[j]	[k]
							New Loan Amount per Loan Application	Impact on the Pool	Original Amount of Existing Loan	Impact on the Pool	Commercial Paper Adjustment	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP
<b>NEW LOAN REQUESTS</b>																	
o	New		0900098		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 DeWitt Nelson Correctional Facility	\$ 14,269,642.00	\$ -	\$ 14,269,642.00	N/A	N/A	N/A	\$ 14,269,642.00	\$ 14,269,642.00	BF	NO	No
p	New		0900099		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Estrella Correctional Facility	\$ 8,847,000.00	\$ -	\$ 8,847,000.00	N/A	N/A	N/A	\$ 8,847,000.00	\$ 8,847,000.00	BF	NO	No
q	New		0900100		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 California Health Care Facility	\$ 40,321,600.00	\$ -	\$ 40,321,600.00	N/A	N/A	N/A	\$ 40,321,600.00	\$ 40,321,600.00	BF	NO	No
							<b>\$ 89,745,213.00</b>	<b>\$ 21,835,781.00</b>	<b>\$ 67,909,432.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,745,213.00</b>	<b>\$ 67,909,432.00</b>			

Total amount of outstanding PMIA loans as of June 7, 2010  
 Impact on the Pool from this months actions  
 Outstanding PMIA loans after this months actions

	Requested	Recommended
	\$ 284,741,278.44	\$ 284,741,278.44
	\$ 67,909,432.00	\$ 67,909,432.00
	\$ 352,650,710.44	\$ 352,650,710.44