MINUTES
California Health Facilities Financing Authority
("CHFFA" or "Authority")
915 Capitol Mall, Room 587
Sacramento, California 95814
June 16, 2017 – 1:30 P.M.

Alternate Locations for CHFFA Teleconference Participation

San Francisco Health Plan
Service Center
7 Spring Street
San Francisco, California 94104

Sablan Law
979 "O" Street, Suite B
Firebaugh, California 93622

Public Participation
Call-In Number: (877) 810-9415 - Participant Code: 6535126

OPEN SESSION

Deputy Treasurer, Alan Gordon, serving as Chairperson, called the meeting to order at 1:30 P.M.

Item #1 Roll Call

Members Present:	Alan Gordon for John Chiang, California State Treasurer
	Alan LoFaso for Betty T. Yee, California State Controller
	Eraina Ortega for Michael Cohen, Director of Finance
	Judith Frank
	Jay Hansen
	Dr. Oscar Sablan – Via Teleconference
	Jack Buckhorn
	Sumi Sousa – Via Teleconference
Member Absent:	Dr. Robert Cherry

Chairperson Gordon declared a quorum present.

Chairperson Gordon announced in an effort to promote transparency, a live, interactive, call-in number was available to the public to provide access to Authority meetings. Open meetings would be available live to all who wish to call-in to listen and participate.

Diane Stanton, the Executive Director, reported that there were no minutes or Executive Director's report to be presented at this meeting.

Ms. Frank recused herself from business item #2 due to her ownership of Wells Fargo Bank stock.

Jay Hansen joined the meeting at 1:36 P.M.

Item #2 Sutter Health ("Sutter"), Sacramento, California, Resolution No. 428

Brock Lewis, staff analyst, presented. Sutter requested Authority's approval to issue up to $500 million in revenue bonds. Bond proceeds would be used to refund a portion of the outstanding CHFFA Series 2008A bonds as well as the outstanding California Statewide Communities Development Authority, ("CSCDA") Series 2004CD and CSCDA Series 2008BC bonds. Sutter anticipated a net present value savings of $37.6 million over the life of the refunding bonds.

Attendees: Svend Ryge, Vice President and Treasurer, Sutter Health, Keri Thomas, Vice President of External Affairs for the Valley Area, Sutter Health; and John Landers, Underwriter, Morgan Stanley.

Mr. Ryge thanked the Authority for the mid-month meeting and presented Sutter's plan of finance.

Chairperson Gordon asked if there were any questions or public comment. There were none.

Authority Action
Motion to approve Resolution No. 428 for Sutter Health in a principal amount not to exceed $500,000,000.

MOTION: Member LoFaso SECOND: Member Buckhorn

AYES: .....Members Sousa, Buckhorn, Sablan, Hansen, Ortega, LoFaso, Gordon
NOES: .....NONE
ABSTAIN: .....NONE
RECUSE: .....Member Frank

MOTION ADOPTED.

Item #3 Rady Children's Hospital – San Diego ("RCHSD"), San Diego, California
Resolution No. CHP-3 2017-03

Tom Finn, staff analyst, presented. RCHSD requested the Authority's approval of a Children's Hospital Program of 2008 (Proposition 3) grant in an amount not to exceed $20,038,881 to renovate and equip the first, second, and fourth floors of a Medical Office Building ("MOB") located adjacent to the Hospital at 3030 Children's Way. The goal of the project was to consolidate and unify clinics located in several locations into a single space. The third floor of the building was previously renovated and would remain as is. Additional building changes included accessibility improvements, elevator upgrades, and replacements of the HVAC system and roof.

The project was expected to expand and improve access to care by providing an increase in the number of exam rooms and accommodate projected future growth in several clinics. Construction began in March 2017 with completion expected by October 2018.

Attendee: Barbara Ryan, Vice President of Government Affairs, Rady Children's Hospital – San Diego.

Mr. Hansen asked if there had been discussions about the possibility of another children's hospital bond and if there was need for such funding.

Ms. Ryan explained that while there had been preliminary discussions about a possible bond act, no decisions had been made, and that there would always be a need for funding.

Ms. Frank inquired about the size of the building.

Mr. Finn stated that he would provide that information to Ms. Frank.

Authority Action

Motion to approve Resolution No. CHP-3 2017-03 for Rady Children's Hospital – San Diego to provide a grant not to exceed $20,038,881 (less issuance and administrative costs).

MOTION: Member LoFaso SECOND: Member Buckhorn

AYES: .....Members Sousa, Buckhorn, Sablan, Hansen, Frank, Ortega, LoFaso, Gordon
NOES: .....NONE
ABSTAIN: .....NONE
RECUSE: .....NONE

MOTION ADOPTED.

Item #4 Investment in Mental Health Wellness Act of 2013
Amendments to Resolution Nos. MH 2014-19, MH 2015-08, MH 2015-11

Erin Lane, staff analyst, presented. Santa Clara County ("Santa Clara"), Napa County ("Napa"), and Solano County ("Solano") requested the Authority's approval to extend the respective grant period and resolution expiration dates to December 31, 2017 with the condition that the Counties must each meet the following milestone deadline: All grant disbursement requests, including all required supporting documentation, must be submitted to the Authority no later than October 31, 2017. All other conditions in the Resolution remained the same and in full effect.

Ms. Frank inquired about Napa County's high cost per bed.

Mr. Bedolla explained that the project was more expensive than originally anticipated; however, the County was able to create some efficiencies with using county owned property.

Mr. LoFaso stated that he shared Ms. Frank's observations and felt the factors that drive costs needed to be identified.

Staff recommended the Authority approve the Amendments to Resolution Nos. MH 2014-19 for Santa Clara County, MH 2015-08 for Napa County, and MH 2015-11 for Solano County.

Attendees via teleconference: Sandra Sinz, Behavioral Health Director, Solano County; Felix Bedolla, Project Manager/Ethnic Services Manager, Napa County; and Jeanne Moral, Senior Health Care Program Manager, Santa Clara County; and Margaret Obilor, Behavioral Health Adult/Older Adult Division Director, Santa Clara County

Authority Action

Motion to approve the amendments to Resolution Nos. MH 2014-19 (Santa Clara County), MH 2015-08 (Napa County), and MH 2015-11 (Solano County) to extend the respective grant period and resolution expiration dates to December 31, 2017.

MOTION: Member LoFaso SECOND: Member Buckhorn

AYES: .....Members Sousa, Buckhorn, Sablan, Hansen, Frank, Ortega, LoFaso, Gordon
NOES: .....NONE
ABSTAIN: .....NONE
RECUSE: .....NONE

MOTION ADOPTED.

Item #5 **Peer Respite Care Grant Program**
Amendment to Resolution No. PR 2016-04

Yuanyuan Wei, staff analyst, presented. Ms. Wei reported there were two changes to the staff report. Trinity County (the "County") expected to present the construction contract to its Board of Supervisors on June 20, 2017 but that changed to July 18, 2017, and the construction start date changed from July 15, 2017 to August 31, 2017. A copy of the updated resolution that incorporates the changes was provided to each board member. The County requested an extension to the resolution and grant period expiration date from December 31, 2017 to May 31, 2018 due to a delay in the Request for Proposal ("RFP") process for construction. Staff recommended the Authority approve the Amendment to Resolution No. PR 2016-04.

Attendees: Rebecca Trujillo, Agency Coordinating Manager, Trinity County Behavior Health Department.

Ms. Trujillo thanked the Authority and gave a brief summary about the project.

Authority Action
Motion to approve amendment to Resolution No. PR 2016-04 to extend the resolution and grant period expiration date to May 31, 2018.

MOTION: Member LoFaso SECOND: Member Buckhorn

AYES: .....Members Sousa, Buckhorn, Sablan, Hansen, Frank, Ortega LoFaso, Gordon
NOES: .....NONE
ABSTAIN: .....NONE
RECUSE: .....NONE

MOTION ADOPTED.

CLOSED SESSION

The closed session began at 2:02 P.M**.**

Item #6 **Litigation (Government Code Section 11126(e)(1))**
Litigation (Government Code Section 11126(e)(1))

Consult with legal counsel regarding pending litigation (*California Health Facilities Financing Authority vs. Health for All, Inc., et al*; Case No. 34-2010-00092737, Sacramento County Superior Court) as authorized by Government Code Section 11126(e)(2)(A).

OPEN SESSION

The open session was re-opened at 2:26 P.M.

Items #7, #8, #9 **Other Business/Public Comment/Adjournment**
Chairperson Gordon asked for public comment. Ms. Stanton announced the cancellation of the June 29th Authority meeting and the next meeting was tentatively scheduled for July 27th. The meeting adjourned at 2:28 P.M.