

**WASHINGTON STATE INVESTMENT BOARD  
Private Markets Committee Meeting Minutes  
December 4, 2008**

The Private Markets Committee met in open public session at 9:02 a.m. in the boardroom at the Washington State Investment Board in Olympia, Washington.

Members Present: Glenn Gorton, Acting Chair  
Charles Kaminski (via teleconference)  
John Magnuson  
George Masten  
Sandy Matheson  
Treasurer Mike Murphy  
David Nierenberg

Other Board Members  
Present: Allan Martin (for dinner presentation)  
Mason Petit

Members Absent: Patrick McElligott, Chair  
Jeff Seely

Others Present: Joe Dear, Executive Director  
Gary Bruebaker, Chief Investment Officer  
Steve Draper, Senior Investment Officer – Real Assets  
Paul Silver, Investment Officer – Real Assets  
Kristi Bromley, Administrative Assistant  
  
Steve Dietrich, Assistant Attorney General

[Names of other individuals attending the meeting are not included in the minutes but are listed in the permanent record.]

The meeting convened at 9:02 a.m. December 4, 2008, with Acting Chair Gorton identifying members present.

**ADOPTION OF THE NOVEMBER 5 AND 6, 2008, MINUTES**

**Ms. Matheson moved to adopt the minutes of November 5 and 6, 2008.**

**Acting Chair Gorton seconded, and the motion carried unanimously.**

The Acting Chair announced that the Committee would go into executive session to discuss financial and commercial information relating to an investment since public knowledge regarding the discussion would result in loss to the funds managed by the WSIB or would result in private loss to the providers of the information. The executive session was expected to last approximately 4 hours, at which time the Committee would reconvene in open, public session.

**REAL ESTATE ANNUAL PLAN**

[Treasurer Murphy was in attendance at 9:37 a.m.]

## **TANGIBLE ASSETS ANNUAL PLAN**

[Treasurer Murphy was no longer in attendance at 1:27 p.m.]

[The Committee reconvened in open public session at 1:52 p.m.]

## **TANGIBLE ASSETS ANNUAL PLAN**

**Mr. Masten moved that the Private Markets Committee recommend that the Board adopt the confidential 2009 Tangible Assets Annual Plan that was presented and discussed in executive session. Ms. Matheson seconded, and the motion carried unanimously.**

## **REAL ESTATE ANNUAL PLAN**

**Ms. Matheson moved that the Private Markets Committee recommend that the Board adopt the confidential 2009 Real Estate Annual Plan modest case that was presented and discussed in executive session. Mr. Gorton seconded.**

The Committee discussed various options related to the plan.

**The motion carried with Mr. Masten voting no.**

## **REAL ASSETS CONSULTANT POOL SELECTION**

Mr. Silver introduced himself and discussed the results of the Request for Qualifications and Quotation (RFQQ) issued on October 20, 2008, which sought proposals from firms for a pool to provide consulting services for Emerging Markets Real Estate investments and a pool to provide consulting services for Tangible Assets Investments. The RFQQ solicitation also sought the services of a firm to provide Performance Reporting Services for Emerging Markets Real Estate and Tangible Assets investments. The solicitation was structured so that firms could submit proposals to provide one, two, or all three of the service categories. Mr. Silver described the review and evaluation process. He stated that staff recommends that Courtland Partners, Ltd., Pension Consulting Alliance, Inc., and RV Kuhns & Associates be placed in the Emerging Markets Real Estate investments consultant pool; that Cliffwater LLC, Courtland Partners, Ltd., Ennis Knupp & Associates, Jeffrey A. Parker & Associates, Inc., ORG Portfolio Management LLC, Pension Consulting Alliance, Inc., and RV Kuhns & Associates Inc., be placed in the Tangible Assets investment consultant pool; and that Courtland Partners be awarded the contract for Performance Reporting.

Mr. Masten clarified how the pool would be utilized and Mr. Silver noted that a consultant pool would work especially well for tangible assets investments where the consulting firms had different areas of expertise.

**Mr. Masten moved that the Private Markets Committee recommend the Board approve the consulting firms in the following categories, subject to continuing due diligence and final negotiation of terms and conditions. Ms. Matheson seconded, and the motion carried unanimously.**

<b>Category</b>	<b>Recommended Firm</b>
Emerging Markets Real Estate Investment Consultant Pool	Courtland Partners, Ltd.; Pension Consulting Alliance, Inc.; and RV Kuhns & Associates, Inc.
Tangible Assets Investment Consultant Pool	Cliffwater LLC; Courtland Partners, Ltd.; Ennis Knupp & Associates, Inc.; ORG Portfolio Management LLC; Pension Consulting Alliance, Inc.; and RV Kuhns & Associates, Inc.
Performance Reporting Services for Emerging Markets Real Estate and Tangible Assets Investments	Courtland Partners, Ltd.

### **PRIVATE MARKETS CLOSING LOG**

The Private Markets Closing Log was presented for informational purposes.

### **OTHER ITEMS**

There being no further business to come before the Committee, the meeting adjourned at 2:02 p.m.