

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
January 20, 2015**

1. CALL TO ORDER & ROLL CALL

Alan Gordon, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 11:01 a.m.

Members Present: Alan Gordon for John Chiang, State Treasurer
Anne Baker for Betty Yee, State Controller
Eraina Ortega for Michael Cohen, Director of Finance

Staff Present: René Webster-Hawkins, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Mr. Gordon asked if there were any questions or comments concerning the meeting minutes from the meeting held December 16, 2014. There were none.

Ms. Ortega moved approval of the minutes; there was a second.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Webster-Hawkins welcomed Board member Alan Gordon in his new role as Treasurer John Chiang's delegate to CPCFA. She stated Alan has been a strong guide and advocate for the Authority for years, and she is looking forward to working with him more actively on policy and program development to support Treasurer Chiang's emphasis on making state services more accessible and accountable to the public. CPCFA has long been recognized for providing very accessible and efficient financial assistance to environmental projects and local business and economic development, and is looking forward to ratcheting up its impact in the coming years.

Mr. Webster-Hawkins welcomed Anne Baker to the Board, sitting on behalf of Controller Betty Yee. Ms. Baker's expertise in the area of environmental and energy policy has been

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long recognized, and staff at CPCFA look forward to her leadership.

Ms. Webster-Hawkins explained that the re-election of Governor Brown gave stability on the Board and welcomed back Board member Eraina Ortega, representing the Director of Finance, Michael Cohen.

Ms. Webster-Hawkins took a moment to reflect on a few program accomplishments for 2014. She reported that the Bond Program sold \$260 million worth of pollution control bonds, including \$163 million of new money and \$97 million in refundings. She reported the completion of CPCFA's annual independent audit under Senate Bill 99 (SB 99), with no findings. The report will be posted on the CPCFA website for public viewing.

Ms. Webster-Hawkins then reported that the California Capital Access Program (CalCAP) enrolled 1,314 loans into the loan loss reserve program, funded by the federal State Small Business Credit Initiative (SSBCI), totaling \$52.3 million in loans to small businesses. CalCAP also enrolled 50 loans into the Collateral Support Program, also funded by SSBCI, totaling \$45.8 million in small business loans. CalCAP also enrolled 2,048 loans into the On Road Heavy Duty Vehicle Loan Program, funded by the Air Resources Board (ARB), totaling \$134.5 million in loans to small fleet operators and owners in California.

In the California Recycle Underutilized Sites program (CALReUSE), Ms. Webster-Hawkins stated that the California State Auditor issued a clean audit of the \$60 million Proposition 1C (Prop 1C) grant and loan program to remediate brownfield sites. As a result of that audit, CPCFA will be receiving an additional \$1.2 million from Housing and Community Development to fund additional remediation projects.

Ms. Webster-Hawkins then announced the departure of Thomas Dear, an Associate Treasury Program Officer who had added tremendous value to the Collateral Support Program and the development of the forthcoming Electric Vehicle Charging Station Financing Program. Ms. Webster-Hawkins expressed her dismay over the vagaries of the personnel classification system which makes recruiting and retaining top notch people so difficult.

Ms. Ortega explained that CPCFA is not the only entity faced with recruitment challenges and stated that there is a lot of activity through the California Department of Human Resources (CalHR) and within the California Government Operations Agency to start looking at a big picture review of the state civil service system.

Ms. Webster-Hawkins stated that she looks forward to working actively on maintaining momentum on those recruitment initiatives under the Treasurer's new administration.

Ms. Webster-Hawkins then turned to her delegated authority, stating there were three items to report. In the last month, there were three companies who requested a change in their remarketing agent from W. R. Taylor and Company to the Frazer Lanier Company. The projects were separate bond issues for B&B Dairy, George Borba & Son Dairy, and Bidart Dairy. These approvals by CPCFA were required under the loan documents and Ms. Webster-Hawkins exercised her authority on January 7th and January 8th 2015 on those three items.

Mr. Gordon asked if there are any questions from the Board or public; there were none.

4. BUSINESS ITEMS

A. REQUEST TO APPROVE AMENDMENT OF INITIAL RESOLUTION REFLECTING OFFICIAL INTENT TO ISSUE REVENUE BONDS

United Pacific Waste and/or its Affiliates

Presented by: Andrea Gonzalez, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone & Holmstedt and Leslie Lava, Esq.

Staff requested an amendment to Initial Resolution 12-01 to increase the dollar amount to an amount not to exceed \$18,465,000 to reflect increased project costs, including the acquisition of an additional property in the City of Irwindale.

At the January 17, 2012 CPCFA Board Meeting, an Initial Resolution for United Pacific Waste was approved for an amount not to exceed \$31,535,000.

On June 17, 2014, an amendment to an Initial Resolution for United Pacific Waste was approved by the CPCFA Board for an amount not to exceed \$15,115,000 to reflect a decrease in project costs.

Staff recommended approval of an amendment to Initial Resolution No. 12-01 for United Pacific Waste and/or its Affiliates for an amount not to exceed \$18,465,000.

Mr. Gordon asked if there were any questions or comments from the Board or public. There were none.

Mr. Gordon asked if there was a motion.

Ms. Baker moved approval of the item; there was a second.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

B. REQUEST TO APPROVE FINAL RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE NOTES, SMALL BUSINESS ASSISTANCE FUND (SBAF) COSTS OF ISSUANCE ASSISTANCE AND TAX-EXEMPT VOLUME CAP ALLOCATION

Blue Line Transfer, Inc. and/or its Affiliates

Presented by: Andrea Gonzalez, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone & Holmstedt and Leslie Lava, Esq.

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Staff requested approval of a Final Resolution for an amount not to exceed \$22,720,000; Volume Cap Allocation for an amount not to exceed \$11,945,000; and assistance from the Small Business Assistance Fund (SBAF) in the amount of \$45,840.

The company intended to refund two Solid Waste Disposal Revenue Bonds previously issued by CPCFA in the amount of \$10,775,000. The volume cap request in the amount of \$11,945,000 will finance: an anaerobic digester and Compressed Natural Gas (CNG) fueling station in South San Francisco, site improvements to existing facilities, and the acquisition of rolling stock and collection equipment for use in various locations in San Mateo County in the amount of \$11,840,000; as well as the payment of certain costs of issuance related to the refunding in the amount of \$105,000.

Staff recommended approval of Final Resolution No. 541 for an amount not to exceed \$22,720,000; Volume Cap Allocation Resolution No. 12-141-01 for an amount not to exceed \$11,945,000; and a SBAF Resolution in an amount not to exceed \$45,840 for Blue Line Transfer, Inc. and/or its Affiliates.

Mr. Gordon asked if there were any questions or comments from the Board or public. There were none.

Mr. Gordon asked if there was a motion.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

5. PUBLIC COMMENT

Mr. Gordon asked if there were any general comments from the public. There were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 11:14 a.m.

Respectfully submitted,

Originally Signed By

Reneé Webster-Hawkins
Executive Director