

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
BOND FINANCING PROGRAM  
Meeting Date: December 12, 2017**

*Request to Approve Final Resolution Authorizing the Issuance of Revenue Notes for New Money Purposes and Tax-Exempt Volume Cap Allocation*

Prepared by: Andrea Gonzalez

<b>Applicant:</b>	GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd.	<b>Amount Requested:</b>	<del>\$60,700,000</del> <u>\$38,000,000</u>
		<b>Application No.:</b>	920
		<b>Initial Resolution No.:</b>	17-19
<b>Project Location:</b>	Various Locations throughout California	<b>Final Resolution:</b>	17-01-581

**Summary.** GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. and/or its affiliates (the “Company”) requests approval of a Final Resolution and Volume Cap Allocation for an amount not to exceed ~~\$60,700,000~~ \$38,000,000 to finance the construction and improvements to an existing waste and recycling site, as well as the to purchase equipment.

**Borrower.** GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. were incorporated in San Jose, California in 1991 and 1984, respectively. GreenWaste and Zanker provide refuse collection, recycling and disposal services in Santa Clara, Santa Cruz, and Sacramento Counties.

The principal stockholders of GreenWaste Recovery, Inc. are as follows:

Richard A. Cristina & Diane L. Cristina, Trustees	19.79%
Murray B. Hall, Trustee	17.29%
Frank C. Weigel, Trustee	10.42%
Juan & Cindy Pena, Trustees	10.42%
Eric A. Bracher & Vivian M. Bracher, Trustees	8.54%
William H. Giannini & Linda D. Giannini, Trustees	4.79%
Gene P. Carter & Patricia J. Carter, Trustees	4.17%
Gary V. Giannini & Susan M. Giannini, Trustees	4.17%
Patricia L. Sheehan, Trustee	4.17%
Herbert Sweatt, Trustee	4.17%
Various (less than 3% each)	<u>12.07%</u>
<b>Total:</b>	<b><u>100.00%</u></b>

The General and Limited Partners of Zanker Road Resource Management, Ltd. are as follows:

General Partners

Zanker Road Resource Recovery, Inc. (50% each Richard A. Cristina & Murray B. Hall)	30.0000%
H.L. Sweatt, Inc. (50% each Herbert & Nancy Sweatt)	10.0000%

Limited Partners

**Agenda Item 4.B.2.**

Diana L. Couch	9.0044%
John D. Couch	9.0044%
Kenneth W. Zerbe	7.0588%
Gene R. Carter	7.0588%
Neal Family Revocable Trust	5.2941%
Sportssell L.P. #4	10.5882%
Various (less than 3% each)	<u>11.9913%</u>
<b>Total:</b>	<b><u>100.0000%</u></b>

**Legal Status Questionnaire.** The Staff has reviewed the Company's responses to the questions contained in the Legal Status Questionnaire portion of the Application. No information was disclosed in the Legal Status Questionnaire portion of the Application that raises questions concerning the financial viability or legal integrity of this applicant.

**TEFRA.** The TEFRA hearing was held on {December 7, 2017}. There were no comments received in support of or in opposition to this project.

**Fees.** The Company has paid an application fee of \$5,000 and will pay an administrative fee of \$116,400 at closing.

**SBAF Contribution.** The Company is a large business and will contribute up to \$400,620 to the CPCFA Small Business Assistance Fund at closing.

**Prior Financings.** Prior financings are listed below.

<b>Description</b>	<b>Date of Bond Issue</b>	<b>Original Amount</b>	<b>Amount Outstanding as of 11/15/2017</b>
GreenWaste of Palo Alto Series 2008B	10/08/2008	\$13,465,000	\$1,530,000
GreenWaste Recovery, Inc. Project Series 2013	11/06/2013	\$40,880,000	\$34,710,000
Zanker Road Resource Management, Ltd.	11/06/2013	\$29,755,000	\$29,755,000
Zero Waste Energy Development Company LLC	11/06/2013	\$32,390,000	\$25,890,000
GreenWaste Recovery, Inc. Series 2014	12/04/2014	\$28,300,000	\$22,945,000
Zanker Road Resource Management, Ltd.	12/28/2016	\$10,000,000	\$10,000,000
<b>TOTALS:</b>		<b><u>\$154,790,000</u></b>	<b><u>\$124,830,000</u></b>

**Project Description.** The Company will use note proceeds to construct improvements to the Company's waste and recycling sites and to the buildings housing solid waste related functions. Note proceeds will also be used to purchase equipment for the collection, processing, transfer and recycling of solid waste including additional carts, bins, containers, and drop boxes. All the site improvements and equipment purchases are to be completed on and/or located at existing facilities throughout California.

The anticipated project and issuance costs are listed below:

Acquisition and Installation of New Equipment	\$54,485,935	36,493,550
Site Preparation	5,060,000	610,000
Bond Issuance Expenses	969,065	711,450
Rehabilitation of Existing Buildings		185,000
<b>Total:</b>	<b>\$60,700,000</b>	<b>38,000,000</b>

*Note: The project costs reported in the Borrower’s application and shown here in staff’s report are estimated costs. At the time this financing closes, the estimated project costs will be finalized and stated in the Tax Certificate. Variations from the costs shown in the application and in this report may occur prior to the closing due to increased costs of certain components of the project from original estimates, and other reasons. In addition, such costs may vary after closing due also to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in law or regulation or for other reasons. However, the Borrower confirms, through submission of a signed application and will confirm through covenants and representations in various bond documents, that all assets purchased with bond proceeds will qualify for tax exempt financing, that they will be used to complete the project as described, and that the average life tests required by federal law and described in the Tax Certificate will continue to be met. Tax-exempt financing may be only one source out of multiple sources of financing for a given project.*

**Anticipated Project Timeline.** The Company anticipates project completion by December 31, 2020.

**Local Government.** The Company received a letter of support from:

- John J. Presleigh, Director of Public Works of Santa Clara County (Attachment A)
- David Ghirardelli, Solid Waste Planner II of the Sacramento Regional Solid Waste Authority (Attachment B)
- Jeff Anderson, Interim Deputy Director, Integrated Waste Management, City of San Jose Environmental Services Department (Attachment C and Attachment D)

**Pollution Control and/or Environmental Benefits.** The Company represents the project will generate the pollution control and environmental benefits described below.

**Air Quality.** The waste collection fleet additions will either be CNG or Biodiesel powered either of which will offer air quality improvements over previous technology in use.

**Water Quality.** All waste material to be processed at the applicant’s facilities will be on paved surfaces under roof (with the exception of landfill located operations) and will not, therefore, contribute to otherwise naturally occurring runoff.

**Energy Efficiency.** The waste collection fleet additions will either be using natural gas or biodiesel rather than diesel fuel either of which will reduce the use of conventional diesel and by doing so produce energy efficiencies and further reduction of reliance on a conventional oil supply.

**Recycling of Commodities.** The new sorting equipment for construction and demolition (C&D) debris will increase C&D waste diversion from landfills as it will be more efficient than what is now in use.

**Safety and Compliance.** Compliance with all applicable state and federal environmental regulations regarding solid waste disposal will result with the implementation of the project. It is important to note that the United States Resource Conservation and Recovery Act (RCRA), the California Integrated Waste Management Act of 1989 (AB 939) and the California Global Warming Solutions Act (Chapter 488, Statutes of 2006) as adopted in Assembly Bill 32 Scoping Plan all mandate the need to minimize the amount of material landfilled and maximize recycling opportunities, both of which the project will achieve. The project will be compliant with all State and local mandates.

**Consumer Cost Savings.** Cost of capital is one of the expenses in the companies Franchise Agreements that determine the rates charged to customers. As such the lower tax-exempt interest rate compared to conventional financing should result in consumer cost savings.

**Permitting and Environmental Approvals.** The Company included a letter, signed by David Tilton, the Chief Financial Officer, stating that the project does not require a new California Environmental Quality Act (CEQA) process and does not require any discretionary permits. The project consists of the acquisition of solid waste equipment and improvements to existing buildings and is consistent with existing zoning and permits.

**Financing Details.** The Company anticipates a direct bank purchase of negotiated tax-exempt notes with Bank of the West, Wells Fargo Bank, National Association and MUFJ Union Bank, N.A., which are Qualified Institutional Buyers (QIBs) as defined in SEC Rule 144 under the Securities Act of 1933. The notes will be in minimum denominations of \$250,000 or any integral multiple of \$5,000 in excess thereof. Subsequent transfer is restricted to the transfer of the notes in whole. The target date for financing is December 28, 2017.

For state law purposes, the notes will be delivered (“drawn down”) incrementally. For federal tax law purposes, since at least \$50,000 of the notes will be delivered on the initial closing date, the entire ~~\$60,700,000~~\$38,000,000 will be deemed issued at closing and will receive the full amount of volume cap allocation dedicated to the notes. This structure will provide significant cost savings to the Company.

**Financing Team.**

- Municipal Advisor to the Borrower:** Westhoff, Cone & Holmstedt
- Bond Counsel:** Law Offices of Leslie M. Lava
- Issuer’s Counsel:** Office of the Attorney General
- Trustee:** The Bank of New York Mellon Trust, N.A.

**Staff Recommendation.** Staff recommends approval of Final Resolution No. 17-01-581 and Volume Cap Allocation Resolution No. 14-147-18 for an amount not to exceed ~~\$60,700,000~~\$38,000,000 for GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd. and/or its affiliates.

Attachment A



JOHN J. PRESLEIGH  
DIRECTOR OF PUBLIC WORKS

## County of Santa Cruz

### DEPARTMENT OF PUBLIC WORKS

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070  
(831) 454-2160 FAX (831) 454-2386 TDD (831) 454-2123

November 21, 2017

MS. RENEE WEBSTER-HAWKINS  
EXECUTIVE DIRECTOR  
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
915 Capitol Mall, Room 457  
Sacramento, CA 95814

SUBJECT: CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY, EXEMPT  
FACILITY APPLICATION APPROVAL, GREENWASTE RECOVERY, INC.  
PROJECT

Dear Ms. Webster-Hawkins:

I am writing you today regarding GreenWaste Recovery, Inc. and their Exempt Facility application to the California Pollution Control Financing Authority ("CPCFA") dated November 10, 2017, for solid waste and recycling collection and processing projects.

My staff and I have worked with GreenWaste Recovery, Inc. for many years. They collect solid waste, yard waste, recyclables and organics for the County of Santa Cruz from their location at 375 Industrial Road, Watsonville, CA 95076. I understand that to receive approval for the issuance of tax exempt bonds, the CPCFA must grant part of the State's allocation for "private activity" bonds, as defined by the Federal government to the project.

GreenWaste Recovery, Inc. currently provides collection services for solid waste, yard waste, food waste and recyclables and provides processing services for recyclable materials, for the County's commercial and residential solid waste customers. Any assistance by the CPCFA in making this project economically sustainable by providing low-cost financing for the project would lower costs to customers. Approval of the Exempt Facility Application would help advance the County's goals of increasing waste diversion.

On behalf of the County's solid waste programs, I would appreciate the CPCFA's consideration of GreenWaste Recovery, Inc.'s request for tax exempt financing.

Yours Truly,

  
JOHN J. PRESLEIGH  
Director of Public Works

KK:jv  
GWR\_CPCA Letter of Support.doc

Attachment B



November 17, 2017

**Board of Directors**

**Eric Guerra**  
Chair  
*(City of Sacramento)*

**Sue Frost**  
Vice Chair  
*(County of Sacramento)*

**Angelique Ashby**  
*(City of Sacramento)*

**Larry Carr**  
*(City of Sacramento)*

**Susan Peters**  
*(County of Sacramento)*

**Patrick Kennedy**  
*(County of Sacramento)*

**Phil Serna**  
*(County of Sacramento)*

**Don Nottoli**  
Alternate  
*(County of Sacramento)*

**Michael Penrose**  
Administrator

**Douglas Sloan**  
General Manager/Engineer

Ms. Renee Webster-Hawkins  
Executive Director  
California Pollution Control Financing Authority  
915 Capitol Mall, Room 457  
Sacramento, CA 95814

RE: California Pollution Control Financing Authority, Exempt Facility Approval Zanker Road Resource Management, Ltd.

Dear Ms. Webster-Hawkins:

I write to you today on behalf of Zanker Road Resource Management, Ltd. relating to their solid waste projects for which they will be applying to the California Pollution Control Financing Authority ("CPCFA") on November 10<sup>th</sup>, 2017.

My staff and I have worked with Zanker Road Resource Management, Ltd. over the last few years as they process solid waste for the Sacramento Regional Solid Waste Authority (SWA), at their Florin Perkins Disposal Site located at 4201 Florin Perkins Road, Sacramento, CA 95826. The SWA is a joint powers authority that oversees commercial waste management in the City of Sacramento and the unincorporated areas of Sacramento County. I understand that in order to receive approval for the issuance of tax exempt bonds, that CPCFA must grant part of the State's allocation for "private activity" bonds as defined by the federal government to the project.

Zanker Road Resource Management, Ltd. currently provides solid waste processing services for the SWA's commercial solid waste system. Any assistance by the CPCFA in making this project economically sustainable by lowering the cost of the project's financing would help keep costs low for our businesses and also advance the SWA's goal of increasing waste diversion.

On behalf of the SWA's commercial solid waste program, I would appreciate the CPCFA's consideration of Zanker Road Resource Management, Ltd. Project's request for tax exempt financing. Please let me know if you need any additional information.

Sincerely,

David Ghirardelli  
Solid Waste Planner II  
Construction and Demolition Debris Programs Manager  
Sacramento Regional Solid Waste Authority  
[Ghirardellid@sacounty.net](mailto:Ghirardellid@sacounty.net)

9850 GOETHE ROAD SACRAMENTO, CA 95827-3561  
Phone: (916) 875-6789 Fax: (916) 875-6767  
 Printed on recycled paper, naturally!



Attachment C



*Environmental Services Department*

November 16, 2017

Ms. Renee Webster-Hawkins  
Executive Director  
California Pollution Control Financing Authority  
915 Capitol Mall, Room 457  
Sacramento, CA 95814

**RE: California Pollution Control Financing Authority, Exempt Facility Application Approval,  
Zanker Road Resource Management, Ltd. Projects**

Dear Ms. Webster-Hawkins:

I am writing you today regarding Zanker Road Resource Management, Ltd. and their Exempt Facility application to the California Pollution Control Financing Authority ("CPCFA") dated November 10, 2017, for solid waste recycling and processing projects.

My staff and I have worked with Zanker Road Resource Management, Ltd. over the last few years. They are approved to recycle and process solid waste for the City of San Jose at their locations at 675 and 705 Los Esteros Road, San Jose, CA 95134 and 980 State Highway 25, Gilroy, CA 95020. I understand that to receive approval for the issuance of tax exempt bonds, the CPCFA must grant part of the State's allocation for "private activity" bonds, as defined by the Federal government to the project.

Zanker Road Resource Management, Ltd., which includes the Zanker Landfill, Zanker Recycling, and Z-Best Composting facilities, currently provides solid waste and/or organic recycling and processing services for the City's commercial and residential solid waste customers. Any assistance by the CPCFA in making this project economically sustainable by providing low-cost financing for the project would lower costs to customers. Approval of the Exempt Facility Application would help advance the City's goals of increasing waste diversion.

On behalf of the City's solid waste programs, I would appreciate the CPCFA's consideration of Zanker Road Resource Management, Ltd.'s request for tax exempt financing.

Sincerely,

Jeff Anderson  
Interim Deputy Director, Integrated Waste Management

Attachment D



*Environmental Services Department*

November 16, 2017

Ms. Renee Webster-Hawkins  
Executive Director  
California Pollution Control Financing Authority  
915 Capitol Mall, Room 457  
Sacramento, CA 95814

**RE: California Pollution Control Financing Authority, Exempt Facility Application Approval,  
GreenWaste Recovery, Inc. Projects**

Dear Ms. Webster-Hawkins:

I am writing you today regarding GreenWaste Recovery, Inc. and their Exempt Facility application to the California Pollution Control Financing Authority ("CPCFA") dated November 10, 2017, for solid waste recycling and processing projects.

My staff and I have worked with GreenWaste Recovery, Inc. for many years. They recycle and process solid waste for the City of San Jose at their locations at 575, 625, 645, 651 and/or 653 Charles Street, San Jose, CA 95112. I understand that to receive approval for the issuance of tax exempt bonds, the CPCFA must grant part of the State's allocation for "private activity" bonds, as defined by the Federal government to the project.

GreenWaste Recovery, Inc. currently provides collection and processing services for yard waste and processing services for solid waste, recyclable materials, public litter containers and street sweeping for the City and its residential solid waste customers. Any assistance by the CPCFA in making this project economically sustainable by providing low-cost financing for the project would lower costs to customers. Approval of the Exempt Facility Application would help advance the City's goals of increasing waste diversion.

On behalf of the City's solid waste programs, I would appreciate the CPCFA's consideration of GreenWaste Recovery, Inc.'s request for tax exempt financing.

Sincerely,

Jeff Anderson  
Interim Deputy Director, Integrated Waste Management



**FINAL RESOLUTION OF THE  
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
AUTHORIZING THE ISSUANCE OF REVENUE NOTES FOR  
NEW MONEY PURPOSES FOR THE  
SOLID WASTE DISPOSAL, RECYCLING AND/OR RESOURCE RECOVERY  
FACILITIES AND EQUIPMENT  
FOR GREENWASTE RECOVERY, INC.,  
ZANKER ROAD RESOURCE MANAGEMENT, LTD.  
AND/OR THEIR RESPECTIVE AFFILIATES**

**December 12, 2017**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received the application of GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. (each, the “Borrower” and, together, the “Borrowers”), for financial assistance to finance or refinance (i) improvements to a building which houses solid waste related functions, the construction of site improvements, and/or the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and materials recovery equipment, all to be located at one or more of the following addresses: 565, 575, 625, 645, 651 and/or 653 Charles Street, San Jose, CA 95112, 675 and/or 705 Los Esteros Road, San Jose, CA 95134, 980 State Highway 25, Gilroy, CA 95020, 4201 Florin Perkins Road, Sacramento, CA 95826, 375 Industrial Road, Watsonville, CA 95076 and/or 14201 Del Monte Blvd., Marina, CA 93933 (the “Sites”), and/or (ii) the acquisition of drop boxes, bins, carts and containers to be located at one or more of the Sites and/or with customers located in incorporated or unincorporated portions of Santa Clara, Santa Cruz, Monterey and/or Sacramento Counties, CA, all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”) (collectively, the “Project”); and

**WHEREAS**, the Borrowers have requested the Authority to issue its revenue notes from time to time in an amount not to exceed ~~\$60,700,000~~38,000,000 to assist in the financing or refinancing of the Project; and

**WHEREAS**, the Borrowers have requested that such revenue notes be delivered in installments as described in the hereinafter referred indenture; and

**WHEREAS**, the proceeds of such revenue notes will be loaned to each Borrower under the hereinafter referred loan agreements with the Authority; and

**WHEREAS**, final approval of the terms of such revenue notes and certain documents relating to such revenue notes is now sought; and

**WHEREAS**, the Borrowers have provided documentation to the Authority demonstrating that the Project has complied with Division 13 (commencing with Section 21000) of the Public Resources Code, or is not a project under that division;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority, as follows:

**Section 1.** The Project constitutes a “project” and each Borrower is a “participating party” within the meaning of the California Pollution Control Financing Authority Act (the “Act”).

**Section 2.** Pursuant to the Act, two revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (GreenWaste Recovery, Inc. Project) Series 2017” and “California Pollution Control Financing Authority Solid Waste Disposal Revenue Notes (Zanker Road Resource Management, Ltd. Project) Series 2017” (collectively, the “Notes”), or such alternate designation as may be approved by the Executive Director of the Authority, in an aggregate principal amount not to exceed ~~\$60,700,000~~\$38,000,000, are hereby authorized to be issued. The Notes may be issued at one time, or from time to time, in one or more series or sub-series separately or differently identified, and may be issued in a tax-exempt mode, all in accordance with each Indenture (as hereinafter defined) as finally executed. The proceeds of the Notes shall be used to make a loan to each Borrower to finance or refinance the Project (including without limitation, reimbursing such Borrower for qualifying costs incurred for the Project prior to the issuance of the Notes) and to pay certain costs of issuance of the Notes. The Notes may be issued as a single issue for federal tax purposes with delivery of the Notes against proceeds done in periodic installments under a draw down mechanism.

**Section 3.** The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Notes, at one time or from time to time on or before December 31, 2017, by negotiated sale, at such price and at such interest rate or rates as he may determine, such determination to be as set forth in each Purchase Contract (as hereinafter defined). Delivery of the Notes at such times to be determined by the Authority pursuant to documents approved in Section 4 hereof, is hereby approved.

**Section 4.** The following documents:

(i) a loan agreement relating to each of the Notes (the “Loan Agreement”) between the Authority and each of the Borrowers;

(ii) an indenture relating to each of the Notes (the “Indenture”) between the Authority and the trustee named in the Term Sheet (the “Trustee”); and

(iii) a note purchase contract relating to each of the Notes (the “Purchase Contract”) among the Authority, the Treasurer of the State of California, as agent for sale, and the banks named in the Term Sheet, as purchasers (the “Purchasers”), and as approved by the applicable Borrower;

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein in substantial conformance with

the Term Sheet as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 5.** The Authority understands and agrees that pursuant to the terms of the Loan Agreement, the obligations of the Borrower may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an Affiliate of the Borrower. For purposes of this Resolution, an “Affiliate” of the Borrower means any person or entity which meets the definition of “Participating Party” in the Act and controls, is controlled by, or is under common control with, the Borrower, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise.

**Section 6.** The dates, maturity dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Notes shall be as provided in the Indenture, as finally executed.

**Section 7.** The Notes shall be executed by the manual or facsimile signature of the Chairman or any Deputy to the Chairman and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the form set forth in and otherwise in accordance with the Indenture. The Notes, when executed, shall be delivered to the Trustee under the Indenture for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Notes by executing the Trustee’s certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Notes, when duly executed and authenticated, to the Purchasers in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Notes to the Purchasers upon payment of the purchase price thereof.

**Section 8.** The Authority hereby dedicates and confirms its allocation to the Notes of \$60,700,000 of a portion of its private activity bond limit, as previously received, carried forward or to be received from the California Debt Limit Allocation Committee, to finance or refinance certain costs of the 2017 Project and to pay certain costs of issuance of the Notes, so as to satisfy the requirements of Section 146(e) of the Internal Revenue Code of 1986, with respect to the Notes.

**Section 9.** Each officer of the Authority, acting alone, is hereby authorized and directed, to do any and all ministerial acts that the officer may deem necessary or advisable in order to consummate the issuance, sale or delivery of the Notes, and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement and the Purchase Contract. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, a tax certificate.

**Section 10.** The provisions of the resolution of the Authority entitled “Resolution of the California Pollution Control Financing Authority Delegating Certain Powers and Authorizing Certain Actions Related to Bond Financings” adopted by the Authority on January 19, 2016, apply to the documents and actions approved in this Resolution, and the provisions of such resolution are incorporated herein by reference.

**Section 11.** The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

**Section 12.** This Resolution shall take effect immediately upon its passage. The adoption by the Authority of this final resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

**EXHIBIT A**

TERM SHEET

**Name of Issue:** California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (GreenWaste Recovery, Inc. Project) Series 2017 (“GreenWaste Notes”), California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Zanker Road Resource Management, Ltd. Project) Series 2017 (“Zanker Notes”) or such alternate designation as may be approved by the Executive Director of the Authority (collectively, the “Notes”)

**Maximum Amount of Issue:** ~~\$60,700,000~~38,000,000 (tax-exempt)

**Issuer:** California Pollution Control Financing Authority (the “Authority”)  
Sacramento, CA

**Borrowers:** GreenWaste Notes:  
  
GreenWaste Recovery, Inc.  
San Jose, CA  
  
Zanker Notes:  
  
Zanker Road Resource Management, Ltd.  
San Jose, CA

**Purchasers:** Bank of the West  
Newport Beach, CA  
  
Wells Fargo Bank, National Association  
Walnut Creek, CA  
  
MUFG Union Bank, N.A.  
Ontario, CA

**Note Counsel:** Leslie M. Lava, Esq.  
Tiburon, CA

**Agenda Item 4.B.2.**

<b>Trustee:</b>	The Bank of New York Mellon Trust Company, N.A. Los Angeles, California
<b>Underwriter:</b>	Not applicable
<b>Remarketing Agent:</b>	Not applicable
<b>Project:</b>	Finance or refinance (i) improvements to a building which houses solid waste related functions, the construction of site improvements, and/or the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and materials recovery equipment, all to be located at one or more of the following addresses: 565, 575, 625, 645, 651 and/or 653 Charles Street, San Jose, CA 95112, 675 and/or 705 Los Esteros Road, San Jose, CA 95134, 980 State Highway 25, Gilroy, CA 95020, 4201 Florin Perkins Road, Sacramento, CA 95826, 375 Industrial Road, Watsonville, CA 95076 and/or 14201 Del Monte Blvd., Marina, CA 93933 (the "Sites"), and/or (ii) the acquisition of drop boxes, bins, carts and containers to be located at one or more of the Sites and/or with customers located in incorporated or unincorporated portions of Santa Clara, Santa Cruz, Monterey and/or Sacramento Counties, CA.
<b>Maximum Note Term:</b>	Not to exceed 25 years
<b>Type of Sale:</b>	Negotiated sale; direct purchase by Purchasers
<b>Description of Minimum Denominations:</b>	\$250,000 or any integral multiple of \$5,000 in excess thereof during index interest rate period (initial period)



<b>Financing Structure:</b>	Index interest rate notes deliverable in installments using a draw down mechanism, convertible to term interest rate or weekly variable rate with tender option pursuant to the Indenture; transferrable by a Purchaser to either an affiliate of such Purchaser or, upon delivery of a letter of representation, a “Qualified Institutional Buyer”, as defined in Rule 144A of the Securities Act of 1933, as amended
<b>Maximum Interest Rate:</b>	12% or the maximum rate permitted by law
<b>Letter of Credit:</b>	Not applicable
<b>Other Credit Enhancement:</b>	Not applicable
<b>Anticipated Note Rating:</b>	Unrated
<b>Type of Financing:</b>	Solid waste disposal revenue notes
<b>Prepared by:</b>	Leslie M. Lava, Esq. Law Offices of Leslie M. Lava (415) 331-6464

**THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**

**RESOLUTION NO. 14-147-18**

**A RESOLUTION TRANSFERRING A PORTION OF THE 2014 STATE CEILING  
ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN  
EXEMPT FACILITY PROJECT**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received an application (“Application”) from the GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. and/or its affiliates (“Project Sponsor”) for the dedication of a portion of the 2014 State Ceiling on Qualified Private Activity Bonds under Section 146 of the Internal Revenue Code of 1986, as amended, to finance a Project through the issuance of bonds or other obligations as specifically described in Exhibit A (“Project”) (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Regulations of the California Debt Limit Allocation Committee (the “Committee”) implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds);

**WHEREAS**, the Project Sponsor has represented and confirmed in its Application certain facts and information concerning the Project;

**WHEREAS**, in evaluating the Project and dedicating a portion of the State Ceiling on Qualified Private Activity Bonds to the Project Sponsor for the benefit of the Project, the Authority has relied upon the written facts and information represented in the Application by the Project Sponsor; and

**WHEREAS**, it is appropriate for the Authority to dedicate a portion of the 2014 State Ceiling on Qualified Private Activity Bonds in order to benefit such Project described in the Application;

**NOW, THEREFORE**, the California Pollution Control Financing Authority resolves as follows:

**Section 1.** There is hereby dedicated to the Project Sponsor an amount of the 2014 State Ceiling on Qualified Private Activity Bonds equal to ~~\$60,700,000~~ \$38,000,000 (“Allocation”). Such Allocation may be used only in connection with the issuance of bonds or other obligations to finance the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated herein as though set forth in full (this resolution, together with Exhibit A are hereafter referred to collectively as this “Resolution”).

**Section 2.** The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds. The Project Sponsor, and all of its respective successors and assignees, will be bound by such terms and conditions. The Project shall be subject to the monitoring provisions of section 5144 of the Committee’s Regulations.

**Section 3.** The Allocation must be used by December 31, 2017.

**Section 4.** Within twenty-four (24) hours of using the Allocation to issue Qualified Private Activity Bonds to finance the Project, the Authority shall notify the Committee at CDLAC@treasurer.ca.gov that the Allocation has been used. This notice shall identify the Project Sponsor, the project, the date the Allocation was used, and the Allocation amount.

**Section 5.** Within fifteen (15) calendar days of the Bond closing, the Authority shall formally transmit to the Committee information regarding the issuance of the Bonds by submitting a completed Report of Action Taken in a form prescribed by and made available by the Committee.

**Section 6.** Any differences between the amount of Bonds issued and the amount of the Allocation in Section 1 of this Resolution shall automatically revert to the Authority.

**Section 7.** Authority staff is authorized and directed to transmit a copy of this Resolution to the Project Sponsor together with a request that the Project Sponsor retain a copy of this Resolution for the term of the Bonds. Authority staff is further directed to retain a copy of this Resolution in the files of the Authority for the same period of time.

**Section 8.** In consideration of the Allocation dedicated to the Project, the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Project Sponsor expressly agrees that the terms and conditions of this Resolution may be enforced by the Authority or the Committee through an action for specific performance or any other available remedy, provided however, that the Authority and the Committee agree not to take such action or enforce any such remedy that would be materially adverse to the Bondholders. In addition, the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Committee is a third party beneficiary of the terms and conditions set forth in this Resolution. The Committee may consent to changes in the terms and conditions set forth in this Resolution as changed circumstances may dictate.

**Section 9.** The Certification of Compliance II or equivalent form must be submitted by the Project Sponsor to the Authority by February 1, but no later than March 1st annually until the project's Certificate of Completion has been submitted to the Authority. The Authority is responsible for reporting to CDLAC by March 1 annually via the Online Compliance System until project completion. A copy of the Certification of Compliance II and Certificate of Completion form may be found at this website location: <http://www.treasurer.ca.gov/cdlac>. Failure to submit compliance may result in disqualification from future program participation.

**Section 10.** This Resolution shall take effect immediately upon its adoption.

**RESOLUTION NO. 14-147-18**  
**(EXEMPT FACILITY PROJECT)**  
**EXHIBIT A**

1. Application No.: 920
2. Project Sponsor GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. and/or its affiliates
3. Project User: Same as Project Sponsor
4. Project Name: GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd.
5. Location: 565, 575, 625, 645, 651, 653 Charles Street  
San Jose, CA 95112  
  
675 and/or 705 Los Esteros Road  
San Jose, CA 95134  
  
980 State Highway 25  
Gilroy, CA 95020  
  
4201 Florin Perkins Road  
Sacramento, CA 95826  
  
375 Industrial Road  
Watsonville, CA 95076  
  
14201 Del Monte Blvd.  
Marina, CA 93933
6. Amount of Allocation: ~~\$60,700,000~~\$38,000,000
7. Pursuant to Section 5145(d) of the CDLAC Regulations, CDLAC must be designated in the bond documents to receive notice of changes in use and circumstances of Bond Default and Qualifying Bond Default.