

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
October 27, 2010**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA or Authority) meeting to order at 10:36 a.m.

Members Present: Bettina Redway for Bill Lockyer, State Treasurer
Cindy Aronberg for John Chiang, State Controller
Cynthia Bryant for Ana J. Matosantos, Department of Finance
Paul Clanon for Michael R. Peevey, Director,
Public Utilities Commission
Panama Bartholomy for Karen Douglas, Chair,
California Energy Commission

Staff Present: Christine Solich, Executive Director
Sherri Kay Wahl, Deputy Executive Director

Quorum: The Chairperson declared a quorum.

2. MINUTES

Ms. Redway asked if there were any questions or comments concerning the September 22, 2010 meeting minutes. There were none.

Ms. Redway asked if there was a motion.

Mr. Clanon moved approval of the minutes; upon a second, the minutes were approved.

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Solich opened her report by introducing, Cheryl Ide, a new analyst at CAEATFA. Cheryl came to CAEATFA from the California Health Facilities Financing Authority and the Authority is pleased to have her.

Ms. Solich reported that 15 applications were received for consideration under the SB 71 Advanced Transportation and Alternative Source Manufacturing Sales and Use Tax Exclusion Program. Upon initial evaluation all of the applications were found incomplete and required follow up from staff. Most applicants did not supply sufficient supporting documentation into the

Agenda Item – 2.

spreadsheet and many requested confidentiality of certain information—total amount and list of qualified property, company ownership, number of employees, type of product produced, etc. Ms. Solich reported that evaluations of the net benefits will continue. Staff has made applicants aware of what is needed—specifically what information would be made public—in order for staff to prepare a written report and recommend an application to the Board for action. Ms. Solich informed the Board that Staff has posted a *Common Mistakes Made on Applications* to the website in hopes that it would help the next group of applicants as they submitted their applications. The final application submittal date for the next group of applications to be heard at the December 15, 2010 is November 1, 2010.

Ms. Solich continued to report that Montague DeRose was selected as financial advisor for CAEATFA. Staff is currently working on solidifying a contract with the firm. Montague DeRose has a wealth of experience in bond financing programs for state and local governments including the Department of Water Resources, and the State Treasurer’s Office, Public Finance Division.

Ms. Solich further reported that staff was recently contacted by the California Energy Commission to become part of the contracting team for the Energy Upgrade California Program. This program will include a one-stop statewide integrated web portal including energy efficiency and renewable energy financing options and products for consumers and businesses. Staff has been asked to contract for the design, establishment and administration of a financial products clearinghouse which will likely include products of banks, credit unions, and other financing options available in the market place. Staff is reviewing the details of the statement of work against CAEATFA’s statutory authority. Discussions will continue regarding the scope of services, contractual terms, etc. and staff will present a recommendation to the Board at the November 17, 2010 meeting.

Ms. Redway asked how many applications were received for the sales tax exclusion that will be heard in November.

Ms. Solich confirmed 15 applications were submitted and expected to be heard at the November 17, 2010 meeting. However, some applicants have been asked to supply additional information and if insufficient information is received, some of the applications may be deferred to the December 15, 2010 meeting.

4. BUSINESS ITEMS

A. 2011 CALENDAR APPROVAL

Staff requested approval of the 2011 meeting calendar.

Ms. Redway asked if there were questions and comments from the Board members. There were none.

Ms. Redway asked if there was a motion.

Mr. Bartholomy moved approval of the item; upon a second, the item was unanimously approved.

B. REQUEST TO APPROVE FINAL RESOLUTION AUTHORIZING THE ISSUANCE OF QUALIFIED ENERGY CONSERVATION BONDS (QECBS)

1) Fallbrook Public Utility District,

Presented by: Heather Williams, Analyst

Staff introduced Steve Nielsen, of MuniBond Solar.

Staff requested approval of a Final Resolution for an amount not to exceed \$7,227,000 to finance the purchase and installation of a photovoltaic solar electric system with QECBs. The Fallbrook Public Utility District anticipates a reduction in operating costs after the system is installed.

Ms. Redway asked for questions or comments from the Board members.

Mr. Clanon thanked staff for their analysis.

Ms. Redway asked if there were any further comments from the Board, or the public. There were none.

Ms. Redway asked if there was a motion.

Mr. Clanon moved approval of the item; upon a second, the item was unanimously approved.

5. PUBLIC COMMENT

Ms. Redway asked if there any comments from the public. There were none.

6. ADJOURNMENT

There were no further business, public comments, or concerns, the meeting adjourned at 10:46 a.m.

Respectfully submitted,

Christine Solich
Executive Director