

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
July 22, 2009**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 11:11 am.

Members Present: Bettina Redway for Bill Lockyer, State Treasurer
Dave O'Toole for John Chiang, State Controller
Tom Sheehy for Michael C. Genest, Director, Department of Finance

Staff Present: Michael Paparian, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Ms. Redway asked if there were any questions or comments concerning the June 24, 2009 meeting minutes. There were none.

Ms. Redway asked if there was a motion.

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

3. EXECUTIVE DIRECTOR'S REPORT (INFORMATION ITEM)

Mr. Paparian introduced CPCFA's newest staff member, Nancee Trombley. Nancee will be working on the new California Capital Access Program's (CalCAP) Air Resources Board (ARB) Truck Loan Program. Nancee has a strong background in banking and lending.

Mr. Paparian reported that the CalCAP continues to add banks to the ARB Truck Loan Program and has had many inquiries from possible borrowers. CalCAP staff are hoping the interest will turn into additional loans and expect more as the economy improves. Mr. Paparian also reported that the CalCAP Regulations have received final approval through the Office of Administrative Law.

Mr. Paparian stated that the California Recycle Underutilized Sites Remediation Program has finalized grant and loan agreements with several of its recipients and is in the process of finalizing many more.

Mr. Paparian further reported that underwriters staff works with in the Bond Program expect to bring a number of deals to the Authority before the end of the year. One underwriter stated that if the program could lower its fees slightly, a client may accelerate bond financing - bringing it in 2009 instead of 2010. Staff is continuing to evaluate fees and may bring a proposal for a temporary decrease in fees to the Board.

Finally, Mr. Paparian reported that the interagency agreement between CPCFA and California Industrial Development Financing Advisory Commission (CIDFAC) to provide staff services for up to \$49,999 has been renewed for Fiscal Year 2009-2010 and expires June of 2010.

Mr. Sheehy asked whether only particular companies would receive the fee discount or if all would be eligible, making it a level playing field.

Mr. Paparian answered that it would not apply to a specific industry or company, and would be offered to all fee payers.

4. BUSINESS ITEMS

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

Staff introduced the following representatives for BP West Coast Products LLC: Brian Smith and Dean Fry from the company; Russell Mac Pherson from Becon Corporation; and Leslie Lava as Bond Counsel.

- 1) **BP West Coast Products LLC** requested approval of an amendment to increase the amount not to exceed \$304,000,000 and extend the expiration date of Initial Resolution number 94-11. This amount represents an increase of \$51,000,000 of the maximum principal amount of revenue bonds that may be issued under the Amended Initial Resolution. The increased amount will be used to finance additional costs of the company's Clean Fuels Project located at the Carson Refinery. Presented by Doreen Smith.

Mr. Sheehy asked if the company would use \$51 million of volume cap this year.

Mr. Paprian responded yes; if approved, the company could be back in August or September for its volume cap request.

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

Ms. Redway asked if there was a motion.

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

B. REQUEST TO APPROVE RESOLUTION AUTHORIZING THE REFUNDING OF REVENUE BONDS

- 1) **BP West Coast Products LLC** requested approval of a Resolution to issue refunding revenue bonds for an amount not to exceed \$100,000,000. The company proposes the refunding and conversion of \$100,000,000 in previously issued bonds (BP West Coast Products LLC Project, Series 2008A) to non-Alternative Minimum Tax (AMT) status.

The Company provides crude oil refining and marketing operations. The project is located in Carson in Los Angeles County. The Company represents that the project provides for the safe disposal of solid waste, provides other incidental pollution control and air quality benefits, and helps meet California's demand for cleaner burning fuels. Presented by Doreen Smith.

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

Mr. O'Toole asked if there was a limit to the amount of money used for refunding to AMT.

Ms. Lava confirmed there is no limit.

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

Ms. Redway asked if there was a motion.

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

C) AMENDMENT TO INFILL GRANT AWARD UNDER THE CALReUSE REMEDIATION PROGRAM (PROP 1C)

- 1) **Thomas Safran and Associates**, the original Applicant and awardee, and Housing Corporation of America (HCA) (the new Applicant) requested approval to re-direct or transfer an Infill Grant award of \$622,750 from Thomas Safran and Associates to HCA for the Carson City Center Senior Housing Project. Presented by Diana Michaelson.

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

Ms. Redway asked if there was a motion.

Agenda Item 2.

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

5. PUBLIC COMMENT

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

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 11:23 a.m.

Respectfully submitted,

Michael Papanian
Executive Director