

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
October 16, 2012**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:31 a.m.

Members Present: Bettina Redway for Bill Lockyer, State Treasurer
Alan Gordon for John Chiang, State Controller
Pedro Reyes for Ana J. Matosantos, Director of Finance

Staff Present: Michael Paparian, 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 18, 2012, meeting minutes. There were none.

Ms. Redway asked if there was a motion.

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

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Paparian reported that staff had the opportunity to visit one of the sites, La Valentina, cleaned up with Prop. 1C brownfields funds. California Recycle Underutilized Sites (CALReUSE) Program Manager, Jason Bradley, helped organize the visit with help from staff member Leosha Eves. La Valentina is an eighty-one unit affordable housing development located at 12th and E Streets in Sacramento. \$631,000 in CPCFA Prop. 1C funds allowed the project to get started by cleaning up contaminated soil from former uses such as a gas station and an auto repair shop.

The project exceeds energy standards, using less than half the energy of comparable buildings, and it has a photovoltaic array on the roof. The presence of the building has been transformative for the neighborhood, and there has also been a dramatic reduction in crime that has resulted in a better quality of life for the residents of the area.

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The building has several retail spaces available on the ground floor that the developers hope to fill with small businesses. Staff saw that as an opportunity to introduce the developers to the California Capital Access Program (CalCAP).

In addition to the cleanup program, CALReUSE is continuing the brownfields assessment program that is funded from fees on CPCFA bonds. Mr. Bradley is continuing to work on an evaluation of the program and recommendations for possible new directions for the assessment program. Staff expects to bring the evaluation to the CPCFA Board for review soon.

Mr. Paparian, along with Nancee Trombley and Jillian Franzoia of CalCAP, attended a conference in October with the U.S. Treasury and with the states receiving federal State Small Business Credit Initiative (SSBCI) funds. They came away with new ideas on how to make the forthcoming collateral support and loan participation programs more successful as well as a lot of good information about program implementation that staff will share with its counterparts at the Small Business Loan Guarantee Program at the Business, Transportation and Housing Agency (BT&H).

Staff is continuing to work with the Governor's Office of Business and Economic Development (GoBiz). The Governor recently appointed a new leadership team to GoBiz and staff will be briefing them, together with its counterparts at the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), on the various programs available and how to make those programs work more collaboratively with GoBiz.

In the bond program, there have been more developments with the proposed desalination facility in Carlsbad. The San Diego County Water Authority and Poseidon hope to issue bonds before the end of the year. In order to assist in meeting this schedule, staff may pursue an extra meeting of the CPCFA Board in the late November timeframe.

Assuming the Carlsbad project does go forward and issue bonds this year, CPCFA will have succeeded in using most of its available 2009 carry-forward allocation and will begin using 2010 allocation. The 2009 allocation expires at the end of December. CPCFA has approximately \$1 billion in 2010 allocation with half available for waste and recycling and half available for water projects. That 2010 allocation must be used by the end of 2013.

Mr. Paparian stated that there are certain requirements to file reports with the State Controller's Office (SCO) relating to activities as a conduit bond issuer. Staff filed a report at the end of September summarizing the conduit bond activities and some of the associated costs. Before the end of the fiscal year, staff will file a more detailed audit of the bond program.

Ms. Redway asked if there were any questions or comments.

Mr. Reyes thanked staff for the work that it is doing and for being responsive especially with the new management at GoBiz. Mr. Reyes stated that he is big on cooperation particularly with emission resources.

Mr. Paparian stated that GoBiz is very receptive to staff at CPCFA.

4. BUSINESS ITEMS

A. APPROVAL OF 2013 MEETING CALENDAR

Presented by: Michael Paparian, Executive Director

Staff requested approval of the proposed 2013 meeting schedule presented below.

Month	Day	Time	Date
January	Tuesday	10:30 a.m.	01/15/2013
February	Tuesday	10:30 a.m.	02/19/2013
March	Tuesday	10:30 a.m.	03/19/2013
April	Tuesday	10:30 a.m.	04/16/2013
May	Tuesday	10:30 a.m.	05/21/2013
June	Tuesday	10:30 a.m.	06/18/2013
July	Tuesday	10:30 a.m.	07/16/2013
August	Tuesday	10:30 a.m.	08/20/2013
September	Tuesday	10:30 a.m.	09/17/2013
October	Tuesday	10:30 a.m.	10/15/2013
November	Tuesday	10:30 a.m.	11/19/2013
December	Tuesday	10:30 a.m.	12/17/2013

Mr. Reyes moved approval of all of the Agenda items (4.A through 4.C.1). There was a second.

A representative from the Attorney’s General Office, Tad Egawa, requested that each agenda item be moved separately.

Mr. Reyes moved approval of agenda item 4A.

Ms. Redway stated that all of the Authority meetings that she chairs, CPCFA, CAEATFA, the California Debt Limit Allocation Committee (CDLAC) and the Tax Credit Allocation Committee (TCAC) used to be on the same day, Wednesdays. The meetings were moved to accommodate the prior SCO representative. Ms. Redway stated that it may be easier for the State representatives if all the meetings were calendared on the same day.

Mr. Reyes said that he would welcome the change, but he would like to go back and check his calendar.

Mr. Paparian replied that staff could look in to changing the meeting dates to Wednesdays, but the January date would need to be posted in order to meet deadlines. The remaining calendar postings could be held for further review.

Mr. Reyes announced that he would like to rescind his motion and moved to approve the calendars through February 2013. He encouraged CPCFA staff to coordinate with the other Authorities to see if it is possible to consolidate all the hearings to one day. He stated

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that the Board may come back and approve the remainder of the calendar if it is not possible to move the meeting dates. There was a second.

Ms. Redway asked if there were any comments from the public. There were none. The item was unanimously approved for the January and February meeting dates.

- B.** Mr. Reyes moved approval of Agenda Item 4.B.1. – Request to approve initial resolution reflecting official intent to issue revenue bonds in the amount of \$10,165,000 for Blue Line Transfer, Inc. to finance construction of an anaerobic digester to fuel its existing compressed natural gas (CNG) collection vehicles, installation of solar panels on its office and digester buildings, and purchase of additional rolling stock, containers and equipment for its existing materials recovery facility (MRF), and the purchase of an additional site for truck parking and container storage .– There was a second.

Ms. Redway asked if there were any questions or comments from the public. There were none. The item was unanimously approved.

- C.** Mr. Reyes moved approval of Agenda Item 4.C.1. – Request to approve final resolution authorizing the issuance of revenue bonds and approve tax-exempt volume cap allocation in the amount of \$16,500,000 for The Ratto Group of Companies, Inc. to finance improvements to its Materials Recovery Facilities (MRF), acquisition and installation of new equipment for MRFs and transfer stations, CNG collection vehicles and containers. There was a second.

Ms. Redway asked if there were any questions or comments from the public. There were none. 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 10:42 a.m.

Respectfully submitted,

Michael Paparian
Executive Director