

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
November 13, 2012**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:35 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 October 16, 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 announced that CPCFA staff is glad to have Maricar Ignacio back from maternity leave and once again helping out the administrative team. Staff also congratulated Ethan Wieser on the birth of his son.

Mr. Paparian has been reporting regularly to the Board on the progress of the proposed desalination project in Carlsbad. The proposal is moving forward and the project applicants would like to issue bonds in 2012. In order to meet this schedule, the San Diego County Water Authority (SDCWA) is planning to vote on the Water Purchase Agreement and related items at its meeting on November 29. The SDCWA has asked CPCFA to schedule a hearing to consider approving the bonds on November 30. Mr. Paparian proposed that a meeting of CPCFA be held on Friday, November 30, to consider the Carlsbad Desalination Project bonds.

Mr. Paparian continued that together with CPCFA's colleagues at the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), staff has had a series of meetings with the new leadership of the Governor's Office of Business and Economic Development (GoBiz). Staff gave GoBiz an overview of CPCFA, CAEATFA and the California Industrial Development Financing Advisory Commission (CIDFAC). Staff also gave more in-depth briefings on the relationship between the Authorities and the California Infrastructure and Economic Development Bank (I-Bank). Staff also explained the deployment of federal funds through the California Capital Access Program (CalCAP) and the Business, Transportation and Housing Agency (BT&H) Small Business Loan Guarantee Program. The BT&H program will soon be moving to GoBiz.

Mr. Paparian reported on carry-forward allocation. If the Carlsbad desalination project issues bonds in December, staff will have succeeded in utilizing most of its available 2009 carry-forward allocation before it expires at the end of December. The 2010 carry-forward allocation, which expires at the end of 2013, amounts to over \$1 billion. Approximately half of the 2010 allocation is dedicated to water and about half is dedicated to waste and recycling facilities.

Mr. Paparian reported to the Board on actions he has taken under his delegated authority. The Ratto Group arranged to have a new Letter of Credit (LOC) issued for its 2007 bonds. The group requested an amendment to the Indenture to allow the new LOC bank, Union Bank, to give notice directly to the trustee in the event of a default. The prior LOC Bank worked through an administrative agent and not directly with the trustee.

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

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

Ms. Redway asked if there was a motion.

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

- B.** Mr. Gordon moved approval of item 4.B.1. - Request to approve an extension of a final resolution authorizing the issuance of revenue bonds in the amount of \$175,300,000 for CalAg, LLC, CalPlant I, LLC to finance a facility to utilize waste rice straw to manufacture medium density fiberboard (MDF). On May 15, 2012, the Board granted an extension to the final resolution. The current final resolution is set to expire on December 31, 2012. The company anticipates securing a Private Placement of fixed rate tax-exempt bonds and issuing these bonds between the first and second quarter of 2013. There was a second.

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

- C.1.** Mr. Reyes moved approval of item 4.C.1. - Request to approve a final resolution authorizing the issuance of revenue bonds, small business assistance fund (SBAF) costs of issuance assistance in the amount of \$83,400 and tax-exempt volume cap allocation in the amount of \$10,275,000 for Alameda County Industries AR, Inc. to finance the acquisition of new compressed natural gas (CNG) fueled vehicles, containers and site improvements to its existing Materials Recovery Facility (MRF). The company provides refuse collection and disposal services in Alameda County. The company anticipates that the project will provide ratepayer, air quality, energy efficiency and recycling benefits. There was a second.

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

- C.2.** Mr. Gordon moved approval of item 4.C.2. – Request to approve a final resolution and volume cap allocation for a private placement revenue note in an amount not to exceed \$6,584,000 and a Small Business Assistance Fund (SBAF) resolution authorizing the payment of certain costs of issuance not to exceed \$171,984 for NASA Services, Inc. to finance the acquisition of waste collection equipment such as containers, bins, carts, tubs, and CNG powered collection and service vehicles to provide residential and commercial waste collection and recycling services to the City of Pico Rivera (Los Angeles County) pursuant to a contract approved by its City Council. There was a second.

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

Agenda Item 2.

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