

CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

Meeting Date: July 16, 2013

Request Approval of Amendment 3 to Interagency Agreement ARB08-607 with the California Air Resources Board (ARB) Regarding the CalCAP Independent Contributor Program

Prepared by: *Diana Michaelson*

Summary. Staff requests Board approval to amend Interagency Agreement ARB08-607 between the California Pollution Control Financing Authority (“CPCFA” or “Authority”) and the California Air Resources Board (ARB). The amendment is needed to ensure that ARB has funding authority to provide adequate allocation for the remainder of the contract term. Additional funding is expected to be authorized in ARB’s FY2013/14 Air Quality Improvement Program Funding Plan. The amendment addresses an accounting issue as the funding authority associated with the original funding amount has expired.

Background. ARB is an Independent Contributor under the California Capital Access Program and provides financial assistance to small business owners of heavy-duty diesel vehicles affected by the ARB’s Statewide In-Use Truck and Bus Regulation and the Heavy-Duty Vehicle Greenhouse Gas Emission Reduction Regulation. The current contract amount is \$44,300,000.00.

This is the third amendment to the contract. The previous two amendments added clarity for operation of the program and extended the term. Board approval for these amendments was not needed as no additional funding authority was added at those times.

This third amendment adds \$10 million to the contract. ARB requested the increase to ensure it has funding authority to provide adequate allocation for the remainder of the contract term through December 31, 2013. Additional funding is expected to be authorized in the FY2013/14 Air Quality Improvement Program Funding Plan (which is scheduled to be presented to the ARB Board on July 25, 2013). The amendment also corrects an accounting issue as the funding authority associated with the original funding amount has expired. If amended, the contract amount will be \$54,300,000.00.

Amendment No. 3.

Original Contract Amount:	\$44,300,000.00
Amendment No. 3:	<u>10,000,000.00</u>
Amended Contract Amount:	<u>\$54,300,000.00</u>

Staff Recommendation. Staff recommends approval of the attached Resolution to authorize the Executive Director or Deputy Executive Director to execute the amended IA in the amount of \$54.3 million as described above.

**RESOLUTION OF THE
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
AUTHORIZING THE EXECUTIVE DIRECTOR OR DEPUTY EXECUTIVE
DIRECTOR TO SIGN AMENDMENT NO. 3 TO INTERAGENCY AGREEMENT
ARB08-607 WITH THE CALIFORNIA AIR RESOURCES BOARD**

July 16, 2013

WHEREAS, the California Pollution Control Financing Authority (“Authority”) was created under the provisions of Section 44500 of the Health and Safety Code; and

WHEREAS, Section 44522(c) of the Health and Safety Code provides that the Authority is authorized to “do all things generally necessary or convenient to carry out its powers”; and

WHEREAS, the California Pollution Control Financing Authority wishes to amend Interagency Agreement ARB08-607 with the California Air Resources Board (ARB), the term of which is April 16, 2009 through December 31, 2013; and

WHEREAS, pursuant to the Interagency Agreement, ARB is an approved Independent Contributor under the California Capital Access Program (CalCAP); and

WHEREAS, pursuant to the Interagency Agreement, CPCFA will provide ARB all the services it normally provides to Independent Contributors in CPCFA’s role as administrator and operator of CalCAP, and other services specified in the Interagency Agreement; and

WHEREAS, ARB desires to add \$10,000,000.00 to the Interagency Agreement to ensure adequate funding authority for Fiscal Year 2013/14;

NOW THEREFORE BE IT RESOLVED, that the Executive Director or Deputy Executive Director of the Authority is hereby authorized to execute Amendment No. 3 to Interagency Agreement ARB08-607 with the California Air Resources Board, the total amount of which will not exceed \$54,300,000.00.