

**MINUTES**

**California Pollution Control Financing Authority  
915 Capitol Mall, Room 587  
Sacramento, California  
September 17, 2013**

**1. CALL TO ORDER & ROLL CALL**

Michael Paparian, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:53 a.m.

Members Present: Michael Paparian for Bill Lockyer, State Treasurer  
Alan Gordon for John Chiang, State Controller  
Eraina Ortega for Michael Cohen, Director of Finance

Staff Present: Reneé Webster-Hawkins, Executive Director  
Sherri Kay Wahl, Deputy Executive Director

Quorum: The Chairperson declared a quorum

**2. MINUTES**

Mr. Paparian asked if there were any questions or comments concerning the August 20, 2013 meeting minutes. There were none.

Mr. Paparian asked if there was a motion.

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

**3. EXECUTIVE DIRECTOR'S REPORT**

Ms. Webster-Hawkins first reported on legislative matters that, as of the end of the session, may boost the business and responsibilities of the CPCFA.

As reported last month, Assembly Bill (AB) 850 by Assembly Member Nazarian, would permit public water agencies to issue rate reduction bonds to finance utility projects and impose charges on customers' bills to repay the bonds. Ms. Webster-Hawkins explained that if signed by the governor, CPCFA would serve as a state-level reviewer of bonds issued by a Joint Powers Authority (JPA), to ensure that the issuance met criteria specified in the bill, including whether the transaction would lower the rates charged to consumers. Staff would initiate emergency rulemaking proceedings to create the administrative process for the Board's review, and to set reasonable application fees to cover the cost of review.

## **Agenda Item 2.**

Ms. Webster-Hawkins reported that the other piece of legislation that had been passed was Senate Bill (SB) 359. The Authority's Truck Loan program, funded by the Air Resources Board (ARB) as an Independent Contributor, would receive a \$10 million appropriation, specifically dedicated as a loan from the Vehicle Inspection and Repair Fund to ARB's Air Quality Improvement Program (AQIP) Fund. Ms. Webster-Hawkins stated that the funding would supplement funding already approved under ARB's existing AQIP Funding Plans, and staff would expect it to support the continuation of the California Capital Access Program (CalCAP) Truck Loan program through the end of this fiscal year.

Ms. Webster-Hawkins continued, reporting on a program highlight of the CalCAP Program and its State Small Business Credit Initiative. She stated that since July 1, 2013, CalCAP has spent or obligated \$8.8 million, totaling \$15.5 million spent or obligated since the start of the program. Based on this performance over the summer, together with the steady activity in Go-Biz's loan guarantee program, the Authority expects to be able to apply to the U.S. Treasury for the second tranche of funds by mid-October.

Ms. Webster-Hawkins then reported that CalCAP has truly made a mark in the microlending niche and has made a palpable difference in local communities. For example, she explained that CalCAP has made loans to 218 mobile food vendors statewide, helping propel the latest foodie trend.

Ms. Webster-Hawkins stated that since the last Board meeting, there had been no actions under her delegated authority to report.

### **4. BUSINESS ITEMS**

#### **A. REQUEST TO APPROVE INITIAL RESOLUTION REFLECTING OFFICIAL INTENT TO ISSUE REVENUE BONDS**

##### **Zerep Management Corporation**

Presented by: Mario Wong, Staff Services Analyst

Staff introduced Tony Cone of Westhoff, Cone & Holmstedt

Staff requested approval of an Initial Resolution for an amount not to exceed \$23,830,000 to finance construction of a transfer station and compressed natural gas (CNG) fueling station, and to purchase vehicles and equipment.

Mr. Gordon moved approval of the item. There was a second.

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

**B. REQUEST TO APPROVE FINAL RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS AND APPROVE TAX-EXEMPT BOND VOLUME CAP ALLOCATION**

**GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd., Zero Waste Energy Development Company LLC**

Presented by: Mario Wong, Staff Services Analyst

Staff introduced Tony Cone of Westhoff, Cone & Holmstedt

Staff requested approval of a Final Resolution for an amount not to exceed \$103,025,000 and Volume Cap Allocation for an amount not to exceed \$38,000,000. The Final Resolution request included the issuance of new debt for GreenWaste Recovery and Zanker Road Resource Management as well as the refunding of six bond issues previously issued by CPCFA for those two companies and Zero Waste Energy Development Company. Greenwaste and Zanker will use the \$38,000,000 of Volume Cap Allocation to finance the acquisition of waste collection vehicles; containers; site improvements, including improvements to a landfill facility and construction and demolition sorting line; and to partially finance the Zero Waste anaerobic digestion facility that CPCFA issued bonds for in 2012. The remaining Final Resolution amount will be used for the refunding. Three revenue notes will be issued at closing to include the new money and the refunding of the previously issued bonds under a private placement structure, with Bank of the West as the lender and as the purchaser of the notes.

Mr. Gordon moved approval of the item. There was a second.

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

**5. PUBLIC COMMENT**

Mr. Paparian 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 11:00 a.m.

**Respectfully submitted,**

**ORIGINALLY SIGNED BY**

Reneé Webster-Hawkins  
Executive Director