

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
November 18, 2014**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:30 a.m.

Members Present: Bettina Redway 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
Patricia Tanous, Treasury Program Manager II

Quorum: The Chairperson declared a quorum

2. MINUTES

Ms. Redway asked if there were any questions or comments concerning the meeting minutes from the meeting held October 21, 2014. There were none.

Mr. Gordon moved approval of the minutes; there was a second.

The item was passed by the following vote:

Bettina Redway for the State Treasurer	Aye
Alan Gordon for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Webster-Hawkins welcomed the members of the Board. She stated that in October, staff attended a Western Regional Meeting of State SSBCI Administrators in Seattle, WA, joining 17 other states and territories to share best practices in program design and implementation of the small business lending programs. The discussion focused on the issue of sustainability, including program structure and modifications that could lead to longer lasting programs. She explained that the federal administration of the program is scheduled to end on December 31, 2016, though states may continue to offer or wind down the programs as long as funding lasts. There was also a short presentation by representatives of the Council of Development Finance Agencies (CDFA) discussing that organization's plan to propose new legislation to Congress that would extend the program and funding beyond the current sunset date.

Ms. Webster-Hawkins stated that at the current rate of CPCFA's and the California

Infrastructure and Economic Development Bank's (I-Bank's) expenditures of SSBCI funds, they will be ready to apply for the third and final tranche of SSBCI funding in January 2015. She continued that CPCFA's initial allocation of funding, totaling \$84,000,000, will last through most of next calendar year.

Ms. Webster-Hawkins described amendments that were made to the Bagley Keene Open Meeting Act, which changes the way in which state boards, commissions, and authorities take votes for action items beginning January 1, 2015. Upon advice of the Attorney General's Office, the change to the Government Code section 11123 requires all action items to be taken by roll call vote, with each member's vote or abstention recorded in the meeting minutes. Given the statutory change, she recommended that CPCFA begin this new procedural requirement effective immediately so that the protocol would be routine as of the beginning of the year.

Ms. Webster-Hawkins then welcomed a new Staff Services Analyst (SSA) to the California Capital Access Program (CalCAP), Angie Hernandez who was previously an Office Technician (OT) with the Health Facilities Financing Authority. Additionally, she introduced LeAndre Henry, who joined CPCFA as an Office Technician in May and had been promoted to the last open SSA position in CalCAP. She stated that for the first time in eight months, the CalCAP program is officially fully staffed and the program manager, Jillian Franzoia, can breathe easier as the holiday season approaches.

For actions under her delegated authority, Ms. Webster-Hawkins signed one agreement. She explained that it was a leveraged procurement agreement for the State's Purchase Card Services Program, otherwise known as Cal-Card. She continued that it is a standard agreement that allows the Authority's staff to utilize their Cal-Cards.

4. BUSINESS ITEMS

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

Eco-Modity LLC dba Blue Marble Materials

Presented by: Andrea Gonzalez, Staff Services Analyst

Staff introduced Tchad Robinson of Eco-Modity LLC and Tom Sheehy of Greenberg Traurig.

Staff requested approval of an Initial Resolution for an amount not to exceed \$11,500,000 to finance the purchase of equipment and transport vehicles, as well as make facility improvements to expand the company's existing facility in Los Angeles County and open four new facilities in Alameda, Sacramento, Orange, and San Diego Counties.

Staff recommended approval of Initial Resolution No. 14-06 for Eco-Modity LLC dba Blue Marble Materials and/or its Affiliates for an amount not to exceed \$11,500,000.

Agenda Item 2.

Ms. Redway asked if there were any questions or comments from the Board or public.

In response to questions from the Board regarding the recyclable materials and the waste, Mr. Robinson described the process of breaking down recycled mattresses, which materials are not recyclable, and the company's use of a local waste-to-energy facility.

Mr. Gordon moved approval of the item; there was a second.

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

The item was passed by the following vote:

Bettina Redway for the State Treasurer	Aye
Alan Gordon for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

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

GreenWaste Recovery, Inc.

Presented by: Andrea Gonzalez, Staff Services Analyst

Staff introduced Dave Tolton of GreenWaste Recovery, Inc. and Leslie Lava, Esq.

Staff requested approval of a Final Resolution and Volume Cap Allocation for an amount not to exceed \$28,300,000 to finance the acquisition and installation of equipment such as CNG powered collection vehicles, bins, carts and other related equipment for the collection, processing, and transfer of solid waste.

Staff recommended approval of Final Resolution No. 539 and Volume Cap Allocation Resolution No. 11-169-07 for an amount not to exceed \$28,300,000 for GreenWaste Recovery, Inc. and/or its Affiliates.

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

Mr. Gordon moved approval of the item; there was a second.

The item was passed by the following vote:

Bettina Redway for the State Treasurer	Aye
Alan Gordon for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

C. REQUEST FOR APPROVAL OF AMENDMENT 1 TO AN INTERAGENCY AGREEMENT WITH THE CALIFORNIA AIR RESOURCES BOARD (ARB) REGARDING THE CALIFORNIA CAPITAL ACCESS PROGRAM (CALCAP) INDEPENDENT CONTRIBUTOR PROGRAM

Agenda Item 2.

Presented by: Moé Awazu-Thomas, Staff Services Analyst

Staff requested approval of an amendment to the Interagency Agreement with the Air Resources Board (ARB).

The amendment would: extend the expiration date of the current Interagency Agreement from December 31, 2015 to March 31, 2016; increase the allocated amount from \$10,000,000 to \$20,000,000; and include several new reporting criteria for borrowers in the program.

Staff recommended approval to amend the Interagency Agreement with ARB for the CalCAP ARB On-Road Program.

Ms. Redway asked if there were any questions or comments from the Board or public.

In response to questions from the Board about the timeline related to money expended, and the timing of the amendment, Ms. Webster-Hawkins explained that the money comes from varying funding sources and detailed the Authority's current spending patterns under the Interagency Agreements with ARB.

Ms. Webster-Hawkins also explained that bringing this item to the Board at this time is a proactive measure while the draft agreement is being processed within ARB, and CPCFA does not anticipate finally executing the agreement fully until January 2015.

Ms. Redway asked if there was a motion.

Mr. Gordon moved approval of the item; there was a second.

The item was passed by the following vote:

Bettina Redway for the State Treasurer	Aye
Alan Gordon for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

D. REQUEST FOR APPROVAL OF AN INTERAGENCY AGREEMENT WITH THE STATE TREASURER'S OFFICE FOR SUPPORT PROVIDED BY THE STATE TREASURER'S EXECUTIVE OFFICE, ADMINISTRATION DIVISION, AND INFORMATION SYSTEMS

Presented by: Patricia Tanous, Treasury Program Manager II

Staff requested the Authority's approval of the Fiscal Year 2014/2015 Interagency Agreement with the State Treasurer's Office (STO).

STO provides budgeting, personnel, accounting, information systems, and other administrative support services for the Boards, Commissions, and Authorities (BCAs). The overall cost has been allocated among the BCAs based on each agency's personnel years.

Agenda Item 2.

The Interagency Agreement between CPCFA and STO is currently up for renewal and staff requested Board approval of the new agreement. The Executive Director has authority under a resolution passed by the Board to only approve contracts in amounts up to \$300,000.

Staff recommended approval to authorize the Executive Director or Deputy Executive Director to execute an Interagency Agreement with the State Treasurer's Office for Fiscal Year 2014-2015 in the amount of \$411,156.

Mr. Gordon moved approval of the item; 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 passed by the following vote:

Bettina Redway for the State Treasurer	Aye
Alan Gordon for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

5. PUBLIC COMMENT

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

6. CLOSED SESSION

The closed session began at 10:46 a.m. and ended at 11:15 a.m. Ms. Redway reported that no actions were taken during the closed session.

7. PUBLIC COMMENT

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

8. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 11:16 a.m.

Respectfully submitted,

Reneé Webster-Hawkins
Executive Director