

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
December 12, 2017**

1. CALL TO ORDER & ROLL CALL

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

Members Present: Eraina Ortega for Michael Cohen, Director of Finance
Anne Baker for Betty T. Yee, State Controller
Steve Juarez for John Chiang, State Treasurer

Staff Present: Reneé Webster-Hawkins, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Mr. Juarez asked if there were any questions or comments concerning the meeting minutes from the meeting held November 14, 2017. There were none. Mr. Juarez asked if there was anyone with comments on the telephone, staff confirmed there was not.

Ms. Ortega moved approval of the minutes; upon a second, the minutes were unanimously approved.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Webster-Hawkins greeted the members of the Board.

Ms. Webster-Hawkins discussed the details of various contracts that she has executed under her delegated authority since the last Board meeting, including CPCFA 02-17, CIDFAC 01-15, CPCFA 07-10 Amendment 4, and CPCFA 13-09 Amendment 7.

Ms. Webster-Hawkins discussed various CPCFA Bond Program waivers and amendments that she signed under her delegated authority, due to borrowers' requests in light of pending tax reform.

Agenda Item 2.

She noted that the agenda packets that were made available to the audience were not printed in its entirety due to the amount of agenda items scheduled for the meeting, but that all agenda items were available on the CPCFA website or from staff.

Ms. Webster-Hawkins stated that the tax reform debate continues in Washington D.C. and it is still unclear whether private activity bonds will continue to have tax-exemption benefits after the first of the year, or whether a change in law will modify or eliminate the tax exemption. In light of that uncertainty, CPCFA offered to shorten the application period from the usual 60-day advance, to thirty days. Six private waste management companies answered our offer to fast-track bond allocation before the end of this year, applying for a total of \$176 million in new money. Those six transactions, plus three others approved at recent Board meetings, are scheduled to close between tomorrow and December 29th. In addition, several companies either have drawn down the remainder of prior issuances, or are planning to in the next couple of weeks. This has imposed an incredible workload on our bond counsels, on the municipal advisors at Westhoff, Cone, and Holmstedt, on our Issuer's counsel, Ms. Julia Zuffelato, STO general counsel, Deborah Yang, on the Public Finance Division, and on our staff in the Bond Program and Administrative Units. This agenda, representing the vitality of our Bond Program and the growth and activity we have in our CalCAP and small business programs, is the most robust in over 10 years, and perhaps ever. The work will continue full-throttle up until the last minute of the last business day of 2017.

Ms. Webster-Hawkins wished a fond farewell to Board member Eraina Ortega, who has been appointed to head the new Office of the Transportation Inspector General. She said she has provided strong and prudent leadership for the past three years, and she has personally respected and relied upon her compass. She said that we thank her for understanding and advocating for the unique perspective that CPCFA brings to its interrelated environmental and economic development programs. We wish her well in her new position and future endeavors.

Mr. Juarez thanked Ms. Webster-Hawkins and shared his congratulations for Ms. Ortega and then expressed his hope for the future of PABs in the tax reform bill.

Mr. Juarez asked if there were any questions from the Board or public relative to the Director's report. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

4. BUSINESS ITEMS

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

- 1) Resolution No. 17-17, Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates, #918, Solid Waste Disposal, \$33,450,000

Presented by: Kris Luoma, Staff Services Analyst

Agenda Item 2.

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt, and Robert Feyer of Orrick, Herrington & Sutcliffe LLP.

Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates requested approval of an Initial Resolution for an amount not to exceed \$33,450,000 to finance the construction and equipping of a new organic materials enclosed composting facility.

Staff recommended approval of Initial Resolution No. 17-17 for Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates for an amount not to exceed \$33,450,000.

Mr. Juarez asked if there were any comments from the representatives present. There were none.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

- 2) Resolution No. 17-18, California Waste Recovery Systems, LLC and/or its affiliates, #919(SB*), Solid Waste Disposal, \$22,645,000

Presented by: Lyudmila Farbitnikova, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt, and Robert Feyer of Orrick, Herrington & Sutcliffe LLP

California Waste Recovery Systems, LLC and/or its affiliates requested approval of an Initial Resolution for an amount not to exceed \$22,645,000 to finance the acquisition, construction, improvement, renovation, rehabilitation and/or installation of buildings, renovation and/or installation of processing equipment and infrastructure, conveyors, baler, and a depackaging system, the purchase of carts, containers, and bins within the Sacramento, San Joaquin and Calaveras Counties service areas; and associated costs of the financing.

Staff recommended approval of Initial Resolution No. 17-18 for California Waste Recovery Systems, LLC and/or its affiliates for an amount not to exceed \$22,645,000.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Agenda Item 2.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Webster-Hawkins clarified for the record the correct agenda item number being voted on.

Mr. Juarez clarified for the record that many items on the agenda will be both the initial and final resolutions of the same borrower in order to get them done before year end deadlines.

Mr. Juarez commented on how this item reminded him of the various wonderful things that the CPCFA is able to make happen.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

- 3) Resolution No. 17-19, GreenWaste Recovery, Inc./Zanker Road Resource Management, Ltd. and/or its affiliates, #920, Solid Waste Disposal, \$72,000,000

Presented by: Andrea Gonzalez, Associate Treasury Program Officer

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt; Leslie Lava, Law Offices of Leslie M. Lava, via telephone.

GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. and/or its affiliates requested approval of an Initial Resolution for an amount not to exceed \$72,000,000 to finance the construction and improvements to an existing waste and recycling site, as well as the to purchase equipment.

Staff recommended approval of Initial Resolution No. 17-19 for GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd. and/or its affiliates for an amount not to exceed \$72,000,000.

Mr. Juarez asked if the difference in the dollar amounts between the Initial Resolution and Final Resolution for this borrower could be explained when the Final Resolution is discussed.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

Agenda Item 2.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

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

- 1) Resolution No. 17-01-579, Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates, #918, Solid Waste Disposal, \$31,030,000; and Resolution No. 14-147-15, Volume Cap Allocation of \$31,030,000

Presented by: Kris Luoma, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt, and Robert Feyer of Orrick, Herrington & Sutcliffe LLP.

Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates requested approval of a Final Resolution and Volume Cap Allocation for an amount not to exceed \$31,030,000 to finance the equipping of a new organic materials enclosed composting facility.

Staff recommended approval of Final Resolution No. 17-01-579 and Volume Cap Allocation Resolution No. 14-147-15 for an amount not to exceed \$31,030,000 for Zero Waste Energy @ Davis Street, an Urbaser Project LLC and/or its affiliates.

Mr. Juarez asked if there were any questions from the Board or public.

Mr. Holmstedt clarified that the amount difference between the Initial Resolution and the Final Resolution reflects the project costs that have been negotiated as well as the amount of equity that is going to be put into the project and the amount that the bank is going to purchase.

Mr. Feyer added that if bonds of this type are permitted to be issued after this year then this leaves the option for the company to come back in order to get some additional financing.

Mr. Juarez asked if there were any questions on the telephone.

On the telephone, Leslie Lava commented that the higher amount on the Initial Resolution will not expire until three years have passed.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
---	-----

Agenda Item 2.

Anne Baker for the State Controller Aye
Steve Juarez for the State Treasurer Aye

- 2) Resolution No. 17-01-581, GreenWaste Recovery, Inc./Zanker Road Resource Management, Ltd. and/or its affiliates, #920, Solid Waste Disposal, \$38,000,000; and Resolution No. 14-147-18, Volume Cap Allocation of \$38,000,000

Presented by: Andrea Gonzalez, Associate Treasury Program Officer

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt; Leslie Lava, Law Offices of Leslie M. Lava, via telephone.

GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. and/or its affiliates requested approval of a Final Resolution and Volume Cap Allocation for an amount not to exceed \$60,700,000.

The company will use note proceeds to construct improvements to the company's waste and recycling sites and to the buildings housing solid waste related functions. Note proceeds will also be used to purchase equipment for the collection, processing, transfer and recycling of solid waste including additional carts, bins, containers, and drop boxes. All the site improvements and equipment purchases are to be completed on and/or located at existing facilities throughout California.

Staff recommended approval of Final Resolution No. 17-01-581 and Volume Cap Allocation Resolution No. 14-147-18 for an amount not to exceed \$60,700,000 for GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd. and/or its affiliates.

Mr. Holmstedt clarified that the Final Resolution amount differs from the Initial Resolution amount in order to reflect the currently permitted projects that are ready to go.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance Aye
Anne Baker for the State Controller Aye
Steve Juarez for the State Treasurer Aye

- 3) Resolution No. 17-01-582, Napa Recycling & Waste Services, LLC and/or its affiliates, #915, Solid Waste Disposal, \$35,200,000 and Resolution No. 14-147-16, Volume Cap Allocation of \$35,200,000

Presented by: Deanna Hamelin, Treasury Program Manager

Agenda Item 2.

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt; Leslie Lava, Law Offices of Leslie M. Lava, via telephone.

Napa Recycling & Waste Services and/or its affiliates requested an approval of a Final Resolution and volume cap allocation for an amount not to exceed \$35,200,000 of tax-exempt notes to finance the acquisition and installation of new equipment and rehabilitation of existing facilities and site improvements.

The company planned to use note proceeds to purchase California Air Resources Board (CARB) compliant collection vehicles, and other equipment such as bins, carts, boxes, and other waste processing equipment related to its materials recovery facilities (MRF) and composting facilities at sites located in Napa, Yolo, and Butte Counties. Additionally, the company will use note proceeds for site and building improvements at its facilities in the cities of American Canyon, Zamora and Paradise and storm water system improvements at its facility in Zamora.

The TEFRA hearing was held December 7, 2017 and there were no comments. The transaction was scheduled to close on December 19, 2017.

Staff recommended approval of Final Resolution No. 17-01-582 and Volume Cap Allocation Resolution No. 14-147-16 for an amount not to exceed \$35,200,000, for Napa Recycling & Waste Services LLC and/or its affiliates.

Mr. Juarez asked if the amount for this resolution was different than the Initial Resolution the Board previously approved.

Mr. Holmstedt answered affirmatively.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

On the telephone, Ms. Lava called in to clarify the amount of Napa's previous Initial Resolution.

Mr. Juarez thanked Ms. Lava for her input.

Agenda Item 2.

C. REQUEST TO APPROVE FINAL RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE NOTES FOR NEW MONEY PURPOSES, SMALL BUSINESS ASSISTANCE FUND (SBAF) COSTS OF ISSUANCE ASSISTANCE AND TAX-EXEMPT VOLUME CAP ALLOCATION

- 1) Resolution No. 17-01-583, Mottra Corporation dba Calmet Services, Inc. and/or its affiliates, #907(SB*), Solid Waste Disposal, \$6,125,000 Total Issuance; Resolution No. 14-147-19, Volume Cap Allocation of \$6,125,000; and Resolution No. 17-01-005, SBAF Assistance of \$183,000

Presented by: Andrea Gonzalez, Associate Treasury Program Officer

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt, and Robert Feyer of Orrick, Herrington & Sutcliffe LLP.

Mottra Corporation dba Calmet Services, Inc. and/or its affiliates requested approval of a Final Resolution and Volume Cap Allocation for an amount not to exceed \$6,125,000.

Mottra was awarded a new waste zone under the City of Los Angeles' collection franchising plan as part of the City's movement to privatize its waste collection franchise. This project will allow the company to fulfill its new franchise agreement by financing necessary new equipment, including compressed natural gas (CNG) trucks, bins and carts, and updating its existing Material Recovery Facility (MRF) to meet recycling requirements. The existing MRF is located in the City of Paramount.

Additionally, Mottra was also awarded the street sweeping contract as part of a contract extension with the City of Cerritos. This contract had no requirement to provision an office or that the equipment be housed in the City of Cerritos therefore a physical address was not considered necessary. This project will allow the company to finance the street sweepers.

Staff recommended approval of Final Resolution No. 17-01-583 and Volume Cap Allocation Resolution No. 14-147-19 for an amount not to exceed \$6,125,000, and a SBAF Resolution No. 17-01-005 in an amount not to exceed \$183,000 for Mottra Corporation and/or its affiliates.

Mr. Juarez asked if there were any comments from the financing team.

Mr. Feyer clarified that the SBAF allocation will in actuality be less than the authorized amount. He also took the opportunity to thank CPCFA and assured that all involved are greatly appreciative of all of the Authority's efforts to get the agenda items prepared on time for this Board meeting.

Mr. Juarez asked if there was any public comment. There was none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Agenda Item 2.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

- 2) Resolution No. 17-01-584, Sonoma County Resource Recovery, LLC and/or its affiliates, #914(SB*), Solid Waste Disposal, \$7,000,000 Total Issuance; Resolution No. 14-147-17, Volume Cap Allocation of \$7,000,000; and Resolution No. 17-01-006, SBAF Assistance of \$162,000

Presented by: Lyudmila Farbitnikova, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt; Leslie Lava, Law Offices of Leslie M. Lava, via telephone.

Sonoma County Resource Recovery, LLC and/or its affiliates requested approval of a Final Resolution and a Volume Cap Allocation for an amount not to exceed \$7,000,000 to finance or refinance the acquisition and installation of equipment for the collection, processing, transfer and recycling of solid waste to support its waste disposal collection services.

Additionally, the company requested approval for a Small Business Assistance Fund Resolution not to exceed \$162,000 to assist with the cost of issuance of this transaction.

Staff recommended approval of Final Resolution No. 17-01-584 and Volume Cap Allocation Resolution No. 14-147-17 for an amount not to exceed \$7,000,000 and a SBAF Resolution No. 17-01-006 in an amount not to exceed \$162,000 for Sonoma County Resource Recovery, LLC and/or its affiliates.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There was a caller.

On the telephone, Ms. Lava expressed her thanks and gratitude to the authority for all of their efforts.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

D. REQUEST TO APPROVE FINAL RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE NOTES FOR NEW MONEY AND REFUNDING PURPOSES, AND TAX-EXEMPT VOLUME CAP ALLOCATION

Resolution No. 17-01-580, California Waste Recovery Systems, LLC and/or its affiliates, #919(SB*), Solid Waste Disposal, \$29,755,000 Total Issuance, and Refinancing in the Amount of \$7,110,000; and Resolution No. 14-147-20, Volume Cap Allocation of \$22,645,000

Presented by: Lyudmila Farbitnikova, Staff Services Analyst

Staff introduced Mark Holmstedt of Westhoff, Cone and Holmstedt, and Robert Feyer of Orrick, Herrington & Sutcliffe LLP.

Ms. Farbitnikova informed the Board that the morning of the Board meeting, California Waste Recovery Systems, LLC requested to make an amendment to the original request amounts that the Board members were briefed on the week before. Since these changes were made at the short notice, staff did not have a sufficient time to make an amended staff report to present to the Board members that morning.

California Waste Recovery Systems, LLC and/or its affiliates requested approval of a Final Resolution for an amount not to exceed \$17,265,000 and Volume Cap Allocation for an amount not to exceed \$10,155,000 to finance the acquisition, construction, improvement, renovation, rehabilitation and/or installation of buildings; renovation and/or installation of processing equipment and infrastructure, conveyors, baler, and a depackaging system; the purchase of carts, containers, and bins within the Sacramento, San Joaquin and Calaveras Counties service areas; and associated costs of the financing.

Additionally, the company intended to refund the outstanding amount not to exceed \$7,110,000 of California Waste Recovery Systems, LLC Series 2012 Solid Waste Disposal Revenue Bonds.

Staff recommended approval of the Amended Request of Final Resolution No. 17-01-580 for an amount not to exceed \$17,265,000 and Volume Cap Allocation Resolution No. 14-147-20 for an amount not to exceed \$10,155,000 for California Waste Recovery Systems, LLC and/or its affiliates.

Mr. Holmstedt remarked that this item is a perfect example of how a project had to come together given time constraints. The IR represents the projects the company intends on completing over the next few years. As a result of fine tuning, the costs had to be changed. Assuming life goes on after the tax bill, the company will be back to borrow more money for the other projects.

Mr. Juarez asked about the reasons behind the volume cap allocation being less than the actual issued amount.

Agenda Item 2.

Mr. Holmstedt answered that the difference represents the amount of refunding bonds.

Ms. Webster-Hawkins clarified that the decreasing of the posted amount is consistent with the Bagley-Keene Open Meeting Act.

Mr. Juarez thanked Ms. Webster-Hawkins for the clarification.

Mr. Juarez asked if there were any questions from the Board or public.

Ms. Ortega and Ms. Webster-Hawkins confirmed that the resolution should be approved as amended.

Mr. Feyer requested that when a motion is made formally it should specify the amended amounts for the record.

Ms. Farbitnikova restated the amended amounts for the Board.

Ms. Ortega moved approval of the amended item. There was a second.

Mr. Juarez asked if there were any questions from the public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

E. REQUEST TO APPROVE AMENDMENTS TO RESOLUTION NO. 17-01-578 AND THE INDENTURE FOR THE BONDS ISSUED FOR REPUBLIC SERVICES, INC.

Request to amend certain remarketing guidelines

Presented by: Andrea Gonzalez, Associate Treasury Program Officer

Staff introduced Robert Feyer of Orrick, Herrington & Sutcliffe LLP

Staff requested Authority approval to amend Final Resolution No. 17-01-578 and the Indenture for California Pollution Control Financing Authority Solid Waste Disposal Revenue Bonds Series 2017 to correct a drafting error in the sale and remarketing guidelines in item number two of Exhibit C to the Final Resolution and Exhibit E of the Indenture. The Bonds issued on November 21, 2017 have a long term rating of “BBB+” and a short term rating of “A-2” from S&P Global Ratings. The Authority’s bond issuance guidelines provide, in part, that bonds rated a minimum of BBB- may be initially placed with no more than 35 Qualified Institutional Buyers. As a result of a scrivener’s error, Exhibit C to the Final Resolution and Exhibit E of the Indenture included a restriction

Agenda Item 2.

regarding remarketing of Bonds to no more than 35 QIBs that was inconsistent with the guidelines and the intent of the financing parties, and more restrictive than what the guidelines require.

The amendments requested are in conformity with Section 9.1(B)(2) of the Indenture. They are made at the direction, and with the consent of, the Borrower. Their intent is to reflect the intent of the financing parties by restoring consistency between the Guidelines of the Authority and those contained in item no. 2 of Exhibit C to the Final Resolution and Exhibit E of the Indenture.

Staff recommended an amendment to Resolution No. 17-01-578 and the Indenture for Republic Services, Inc. and/or its affiliates.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

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

Resolution No. 17-02-001, Approval of an amendment to Agreement No. 13-606 to increase the maximum amount of funding to \$20 million or other amount approved by the ARB, extend the term to March 31, 2019, and add program clarifications

Presented by: Bianca Smith, Treasury Program Manager

Staff requested approval to amend Interagency Agreement No. 13-606 (“Agreement”) between the California Pollution Control Financing Authority and the Air Resources Board (“ARB”). The Agreement funds loan loss reserve contributions for the On-Road Heavy Duty Vehicle Air Quality Loan Program (“CalCAP/ARB” or “Program”) and this amendment will extend the expiration date of the Agreement from March 31, 2018 to March 31, 2019, increase the allocated amount of the Agreement from \$63 million to \$83 million, and add provisions to establish a Recapture Account and allow for 7% set aside for administrative and trustee costs associated with enrolled loans.

The proposed additional funding of \$20 million funded through ARB’s Air Quality Improvement Program monies was part of ARB’s funding plan for fiscal year 2017-2018 and is scheduled for consideration and approval at the December 14, 2017 ARB meeting.

Agenda Item 2.

Staff recommended approval of Resolution No. 17-02-001 to authorize the Executive Director or Deputy Executive Director to execute a sixth amendment to Interagency Agreement No. 13-606 with the revisions described above, contingent on the amount of AQIP funding approved for the CalCAP/ARB Program at the December 14, 2017 ARB meeting.

Mr. Juarez asked if there was a demand for the proposed funds.

Ms. Webster-Hawkins answered in the affirmative.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

Ms. Webster-Hawkins added that she would report back the final amount that the ARB Board approves.

G. REQUEST FOR CONSIDERATION AND APPROVAL OF AMENDMENTS OF THE REGULATIONS FOR THE CALIFORNIA AMERICANS WITH DISABILITIES SMALL BUSINESS CAPITAL ACCESS LOAN PROGRAM TO CONFORM TO THE RECENT STATUTORY CHANGES UNDER ASSEMBLY BILL 1553

Resolution No. 17-02-002, Approval of amendments to the CalCAP/ADA regulations to conform to Assembly Bill 1553 (Cervantes, chaptered 10/10/2017)

Presented by: Bianca Smith, Treasury Program Manager

Staff requested approval to adopt emergency regulations for the California Americans with Disabilities Act Small Business Capital Access Loan Program in order to implement the recent statutory changes under Assembly Bill 1553. AB 1553, expanded the definition of small business for the purposes of the ADA Program to include businesses with less than \$5 million in total gross annual income, and authorizes the California Pollution Control Financing Authority's to use Small Business Assistance Fund monies to incentivize participation in the CalCAP/ADA Loan Loss Reserve Program. Upon the Board's approval, staff will file the proposed amended regulations with the Office of Administrative Law through the emergency and regular rulemaking processes.

Agenda Item 2.

CPCFA proposed to reduce the out-of-pocket cost to the business owner by reimbursing the small business owner for the cost of the Certified Access Specialist report, prepared by certified inspectors under the standards of the Division of the State Architect, once the loan is enrolled in the CalCAP Program.

With the intent to offset the costs for small businesses that are trying to become ADA compliant while also trying to prevent an overcharge of the CASp cost, CPCFA proposed to limit the reimbursement amount of the CASp Report costs to a maximum of 5% of the enrolled loan amount.

Staff recommended approval of Resolution No. 17-02-002 to authorize staff to undertake the emergency and regular rulemaking proceedings and other related actions for the CalCAP/ADA Program.

Mr. Juarez thanked Ms. Smith and expressed his hope to be successful in getting more applicants.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

H. REQUEST FOR APPROVAL TO ALLOCATE AND TRANSFER \$100,000 FROM THE SMALL BUSINESS ASSISTANCE FUND (SBAF) ACCOUNT TO THE CALCAP/ADA REIMBURSEMENT ACCOUNT

Resolution No. 17-02-003, Approval of allocation and transfer of \$100,000 from the SBAF Account to the CalCAP/ADA Reimbursement Account, to facilitate reimbursements of Certified Access Specialist inspection report costs for the CalCAP/ADA Program

Presented by: Bianca Smith, Treasury Program Manager

Staff requested approval to transfer \$100,000 from its Small Business Assistance Fund Account to the California Americans with Disabilities Act Small Business Capital Access Loan Program Reimbursement Account, to facilitate reimbursements for the Certified Access Specialist Report costs for the CalCAP/ADA Program. The transfer was necessary to allow CPCFA to incentivize participation in the CalCAP/ADA Program.

In the event all the SBAF funds allocated for CASp Report reimbursement are fully expended, CPCFA will request an additional amount of SBAF funds based on accurate

Agenda Item 2.

data that was not available at the time of the Board meeting. If the funds are not fully expended by the termination of the CalCAP/ADA Program, they will be returned to the SBAF fund.

Staff recommended approval of Resolution No. 17-02-003 to authorize staff to transfer \$100,000 from the Authority's Small Business Assistance Fund to the CalCAP/ADA Reimbursement Account, to facilitate reimbursements for the CASp Report cost for the CalCAP/ADA Program.

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

I. REQUEST FOR APPROVAL TO UPDATE CPCFA 2018 BOARD MEETING CALENDAR

January 2018 Meeting will change from January 16, 2018 to January 23, 2018

Presented by: Renee Webster-Hawkins, Executive Director of CPCFA

Mr. Juarez asked if there were any questions from the Board or public. There were none.

Mr. Juarez asked if there were any questions on the telephone. There were none.

Ms. Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Eraina Ortega for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Steve Juarez for the State Treasurer	Aye

5. PUBLIC COMMENT

Mr. Juarez asked if there were any comments from the Board or public.

Mr. Holmstedt thanked the authority and its staff for all of the work they have done the past months and to the Chair and its members for being so supportive.

Mr. Juarez asked if there were any questions on the telephone. There were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 12:00 p.m.

Respectfully submitted,

(Originally Signed By)

Reneé Webster-Hawkins
Executive Director