

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
BOND FINANCING PROGRAM  
Meeting Date: December 12, 2017**

***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***

Prepared by: Lyudmila Farbitnikova

<b>Applicant:</b> Sonoma County Resource Recovery, LLC and/or its affiliates	<b>Amount Requested:</b> \$7,000,000
<b>Project</b>	<b>Application No.:</b> 914(SB)
<b>Location:</b> City of Cotati (Sonoma County)	<b>Final Resolution No.:</b> 17-01-584
	<b>SBAF Resolution No.:</b> 17-01-006
	<b>Prior Actions:</b> IR 17-14 Approved 10/17/17

**Summary.** Sonoma County Resource Recovery, LLC and/or its affiliates (the “Company”) requests approval of a Final Resolution and 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 requests approval for a Small Business Assistance Fund (SBAF) Resolution not to exceed \$162,000 to assist with the cost of issuance of this transaction.

**Borrower.** Sonoma County Resource Recovery, LLC provides collection and disposal of solid waste services in the Town of Windsor, Sonoma County. The Company was organized on October 31, 2016 for the purposes of solid waste collection. The Company is a small business with 15 employees.

The principal stockholders of the Company are as follows:

Kevin Walbridge and Kellie Walbridge, as Trustees of the Kevin and Kellie Walbridge Living Trust	20.0000%
Louis Pellegrini	14.2255%
Joseph J. Garbarino and Sally G. Garbarino, as Trustees of the Joseph and Sally Garbarino Revocable Trust dated 8/14/12	10.0000%
Don A. Arata, as Trustee of the Don Arata Revocable Trust dated 10/21/14	8.0000%
Dave J. Garbarino, as Trustee of the Dave J. Garbarino Revocable Trust dated 8/8/12	5.0000%
Allen J. Garbarino and Janet C. Garbarino, as Trustees of the Allen and Janet Garbarino Revocable Trust dated 9/28/11	5.0000%
Roger L. Williams, as Trustee of the Roger L. Williams Living Trust dated 6/26/15	5.0000%
Nicole Rinauro	5.0000%
Kent Kenney and Cheryl Kenney, as Trustees of the Kent Kenney and Cheryl Kenney Living Trust	4.5715%
Various (less than 3% each)	<u>23.2030%</u>
<b>Total:</b>	<b><u>100.0000%</u></b>

**Legal Status Questionnaire.** The Staff has reviewed the Company’s responses to the questions contained in the Legal Status Questionnaire portion of the Application. No information was disclosed in the Legal Status Questionnaire portion of the Application that raises questions concerning the financial viability or legal integrity of this applicant.

**TEFRA.** The TEFRA hearing was held on [December 7, 2017]. There were no comments received in support of or in opposition to this Project.

**Fees.** The Company has paid an application fee of \$3,500 and will pay an administrative fee of \$10,500 at closing.

**SBAF Assistance.** The Company is a small business eligible for assistance from the SBAF in an amount not to exceed \$162,000.

**Prior Financings.** The Company has no prior financings with CPCFA.

**Project Description.** The Company was recently awarded a new Collection Service Agreement with the Town of Windsor. The Company anticipates using note proceeds to finance the acquisition of equipment for the collection, processing, transfer and recycling of solid waste and other related equipment such as rolling stock, collection and other vehicles and trailers to be located at 7911 Redwood Drive in the City of Cotati (the “Site”). The note proceeds will also be used to purchase drop boxes, bins, carts, and containers to be located at the Site and/or with customers located in incorporated or unincorporated areas of Sonoma County.

The anticipated project and issuance costs are listed below:

Acquisition and Installation of New Equipment	\$6,860,000
Note Issuance Expenses (including discount)	<u>140,000</u>
<b>Total:</b>	<b><u>\$7,000,000</u></b>

*Note: The project costs reported in the Borrower’s application and shown here in staff’s report are estimated costs. At the time this financing closes, the estimated project costs will be finalized and stated in the Tax Certificate. Variations from the costs shown in the application and in this report may occur prior to the closing due to increased costs of certain components of the project from original estimates, and other reasons. In addition, such costs may vary after closing due also to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in law or regulation or for other reasons. However, the Borrower confirms, through submission of a signed application and will confirm through covenants and representations in various bond documents, that all assets purchased with bond proceeds will qualify for tax exempt financing, that they will be used to complete the project as described, and that the average life tests required by federal law and described in the Tax Certificate will continue to be met. Tax-exempt financing may be only one source out of multiple sources of financing for a given project.*

**Anticipated Project Timeline.** The Company anticipates acquiring and installing all equipment by December 31, 2018.

**Local Government.** The Company received a letter of support from Camille Kazarian, Assistant Town Manager/Administrative Services Director of the Town of Windsor (Attachment A).

**Pollution Control and/or Environmental Benefits.** The Company represents the project will generate the pollution control and environmental benefits described below.

**Recycling of Commodities.** The proposed Project is expected to divert approximately 10,000 tons per year of recyclables and greenwaste from local landfills.

**Safety and Compliance.** The Project will be compliant with all State and local mandates.

**Consumer Cost Savings and Efficiencies.** The Project Sponsor's Collection Service Agreement was granted pursuant to a competitive process. In determining its proposed rate structure and capital cost, the Company considered the use of tax-exempt financing.

**Permitting and Environmental Approvals.** The Company has provided a signed letter from its Chief Financial Officer (CFO), Roger Williams, articulating that the project is consistent with the existing zoning and permitting requirements and that it does not require a new CEQA process or requires any other discretionary permits.

**Financing Details.** The Company anticipates a direct bank purchase of negotiated tax-exempt notes with Bank of the West, which is a Qualified Institutional Buyer (QIB) as defined in SEC Rule 144 under the Securities Act of 1933, in minimum denominations of \$250,000 or any integral multiple of \$5,000 in excess thereof. Subsequent transfer is restricted to the transfer of the notes in whole. The target date for financing is December 22, 2017.

For state law purposes, the notes may be delivered ("drawn down") incrementally. For federal tax law purposes, since at least \$50,000 of the notes will be delivered on the initial closing date, the entire \$7,000,000 will be deemed issued at closing and will receive the full amount of volume cap allocation dedicated to the notes. This structure will provide significant cost savings to the Company.

**Financing Team.**

**Municipal Advisor to the Borrower:** Westhoff, Cone & Holmstedt

**Note Counsel:** Law Offices of Leslie M. Lava

**Issuer's Counsel:** Office of the Attorney General

**Trustee:** The Bank of New York Mellon Trust, N.A.

**Staff Recommendation.** Staff recommends 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.

Attachment A



**Town of Windsor**  
9291 Old Redwood Highway  
P.O. Box 100  
Windsor, CA 95492-0100  
Phone: (707) 838-1000  
Fax: (707) 838-7349  
[www.townofwindsor.com](http://www.townofwindsor.com)

**Mayor**  
Debra Fudge

**Vice Mayor**  
Dominic Foppoli

**Councilmembers**  
Mark Millan  
Bruce Okrepkie  
Sam Salmon

**Town Manager**  
John Jansons

November 8, 2017

Ms. Renee Webster-Hawkins  
Executive Director  
California Pollution Control Financing Authority  
801 Capitol Mall, 2<sup>nd</sup> Floor  
Sacramento, CA 95814

Re: California Pollution Control Financing Authority, Tax Exempt  
Facility Approvals Town of Windsor Project

Ms. Webster-Hawkins,

The Town of Windsor is writing this letter in regard to Sonoma County Resource Recovery, LLC's (SCRR) request to receive approval at the California Pollution Control Financial Authority (CPCFA) meeting in December 2017 for the issuance of a tax-exempt bond.

On August 2, 2017, the Town formally approved a 10-year Franchise Agreement with SCRR for residential and commercial collection services within the Town of Windsor. SCRR is in the process of financing equipment that will be used to deliver services to the Town's service recipients. The Town is recommending that SCRR receive tax-exempt status on the financing of this equipment; doing this will allow a cost-effective solution to be passed to their customers that focuses on accountability, technology enhancements and waste diversion.

Should you have any questions please feel free to contact me at (707) 838-5350 or email [ckazarian@townofwindsor.com](mailto:ckazarian@townofwindsor.com).

Kind Regards,

Camille Kazarian  
Assistant Town Manager/Administrative Services Director

Final Resolution No. 17-01-584  
Application No. 914(SB)

**FINAL RESOLUTION OF THE  
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
AUTHORIZING THE ISSUANCE OF REVENUE NOTES FOR  
NEW MONEY PURPOSES FOR THE  
SOLID WASTE DISPOSAL/RECYCLING FACILITIES AND EQUIPMENT  
OF SONOMA COUNTY RESOURCE RECOVERY, LLC AND/OR ITS AFFILIATES**

**December 12, 2017**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received the application of Sonoma County Resource Recovery, LLC (the “Borrower”) for financial assistance to finance or refinance the (i) acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and trailers, to be located at 7911 Redwood Drive, Cotati, CA 94931 (the “Site”) and/or (ii) acquisition of drop boxes, bins, carts and containers to be located at the Site and/or with customers located in incorporated or unincorporated portions of Sonoma County, CA, all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”) (collectively, the “Project”); and

**WHEREAS**, the Borrower has requested the Authority to issue its revenue notes from time to time in an amount not to exceed \$7,000,000 to assist in the financing or refinancing of the Project; and

**WHEREAS**, the Borrower has requested that such revenue notes be delivered in installments as described in the hereinafter referred indenture; and

**WHEREAS**, the proceeds of such revenue notes will be loaned to the Borrower under the hereinafter referred loan agreement with the Authority; and

**WHEREAS**, final approval of the terms of such revenue notes and certain documents relating to such revenue notes is now sought; and

**WHEREAS**, the Borrower has provided documentation to the Authority demonstrating that the Project has complied with Division 13 (commencing with Section 21000) of the Public Resources Code, or is not a project under that division;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority, as follows:

**Section 1.** The Project constitutes a “project” and the Borrower is a “participating party” within the meaning of the California Pollution Control Financing Authority Act (the “Act”).

**Section 2.** Pursuant to the Act, revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Sonoma County Resource Recovery, LLC Project) Series 2017” (the “Notes”), or such alternate designation as may be approved by the Executive Director of the Authority, in an aggregate principal amount not to exceed \$7,000,000, are hereby authorized to be issued. The Notes may be issued at one time, or from time to time, in one or more series or sub-series separately or differently identified, and may be issued in a tax-exempt mode, all in accordance with the Indenture (as hereinafter defined) as finally executed. The proceeds of the Notes shall be used to make a loan to the Borrower to finance or refinance the Project (including without limitation, reimbursing the Borrower for qualifying costs incurred for the Project prior to the issuance of the Notes) and to pay certain costs of issuance of the Notes. The Notes may be issued as a single issue for federal tax purposes with delivery of the Notes against proceeds done in periodic installments under a draw down mechanism.

**Section 3.** The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Notes, at one time or from time to time on or before December 31, 2017, by negotiated sale, at such price and at such interest rate or rates as he may determine, such determination to be as set forth in the hereinafter referred to Purchase Contract. Delivery of the Notes at such times to be determined by the Authority pursuant to documents approved in Section 4 hereof, is hereby approved.

**Section 4.** The following documents:

(i) a loan agreement relating to the Notes (the “Loan Agreement”) between the Authority and the Borrower;

(ii) an indenture relating to the Notes (the “Indenture”) between the Authority and the trustee named in the Term Sheet (the “Trustee”); and

(iii) a note purchase contract relating to the Notes (the “Purchase Contract”) among the Authority, the Treasurer of the State of California, as agent for sale, and the bank named in the Term Sheet, as purchaser (the “Purchaser”), and as approved by the Borrower;

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein in substantial conformance with the Term Sheet as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 5.** The Authority understands and agrees that pursuant to the terms of the Loan Agreement, the obligations of the Borrower may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an Affiliate of the Borrower. For purposes of this Resolution, an “Affiliate” of the Borrower means any person or entity which meets the definition of “Participating Party” in the Act and controls, is controlled by, or is under common control with, the Borrower, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise.

**Section 6.** The dates, maturity dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Notes shall be as provided in the Indenture, as finally executed.

**Section 7.** The Notes shall be executed by the manual or facsimile signature of the Chairman or any Deputy to the Chairman and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the form set forth in and otherwise in accordance with the Indenture. The Notes, when executed, shall be delivered to the Trustee under the Indenture for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Notes by executing the Trustee's certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Notes, when duly executed and authenticated, to the Purchaser in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Notes to the Purchaser upon payment of the purchase price thereof.

**Section 8.** The Authority hereby dedicates and confirms its allocation to the Notes of \$7,000,000 of a portion of its private activity bond limit, as previously received, carried forward or to be received from the California Debt Limit Allocation Committee, to finance or refinance certain costs of the Project and to pay certain costs of issuance of the Notes, so as to satisfy the requirements of Section 146(e) of the Internal Revenue Code of 1986, with respect to the Notes.

**Section 9.** Each officer of the Authority, acting alone, is hereby authorized and directed, to do any and all ministerial acts that the officer may deem necessary or advisable in order to consummate the issuance, sale or delivery of the Notes, and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement and the Purchase Contract. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, a tax certificate.

**Section 10.** The provisions of the resolution of the Authority entitled "Resolution of the California Pollution Control Financing Authority Delegating Certain Powers and Authorizing Certain Actions Related to Bond Financings" adopted by the Authority on January 19, 2016, apply to the documents and actions approved in this Resolution, and the provisions of such resolution are incorporated herein by reference.

**Section 11.** The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

**Section 12.** This Resolution shall take effect immediately upon its passage. The adoption by the Authority of this final resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

**EXHIBIT A**

TERM SHEET

<b>Name of Issue:</b>	California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Sonoma County Resource Recovery, LLC Project) Series 2017 (the “Notes”)
<b>Maximum Amount of Issue:</b>	\$7,000,000 (tax-exempt)
<b>Issuer:</b>	California Pollution Control Financing Authority (the “Authority”) Sacramento, CA
<b>Borrower:</b>	Sonoma County Resource Recovery, LLC Cotati, CA
<b>Purchaser:</b>	Bank of the West Newport Beach, CA
<b>Note Counsel:</b>	Leslie M. Lava, Esq. Tiburon, CA
<b>Trustee:</b>	The Bank of New York Mellon Trust Company, N.A. Los Angeles, CA
<b>Underwriter:</b>	Not applicable
<b>Remarketing Agent:</b>	Not applicable
<b>Project:</b>	Finance or refinance the (i) acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and trailers, to be located at 7911 Redwood Drive, Cotati, CA 94931 (the “Site”) and/or (ii) acquisition of drop boxes, bins, carts and containers to be located at the Site and/or with customers located in incorporated or



**Agenda Item 4.C.2**

	unincorporated portions of Sonoma County, CA.
<b>Maximum Note Term:</b>	Not to exceed 20 years
<b>Type of Sale:</b>	Negotiated sale; direct purchase by Purchaser
<b>Description of Minimum Denominations:</b>	\$250,000 or any integral multiple of \$5,000 in excess thereof during index interest rate period (initial period)
<b>Financing Structure:</b>	Index interest rate notes deliverable in installments using a draw down mechanism, convertible to term interest rate or weekly variable rate with tender option pursuant to the Indenture; transferrable by Purchaser to either an affiliate of the Purchaser or, upon delivery of a letter of representation, a “Qualified Institutional Buyer”, as defined in Rule 144A of the Securities Act of 1933, as amended
<b>Maximum Interest Rate:</b>	Lesser of 12% or the maximum rate permitted by law
<b>Letter of Credit:</b>	Not applicable
<b>Other Credit Enhancement:</b>	Not applicable
<b>Anticipated Note Rating:</b>	Unrated
<b>Type of Financing:</b>	Solid waste disposal revenue notes
<b>Prepared by:</b>	Leslie M. Lava, Esq. Law Offices of Leslie M. Lava (415) 331-6464

**SBAF Resolution No. 17-01-006  
Application No. 914(SB)**

**RESOLUTION OF THE CALIFORNIA  
POLLUTION CONTROL FINANCING AUTHORITY  
RELATING TO ASSISTANCE FROM THE SMALL  
BUSINESS ASSISTANCE FUND FOR  
SONOMA COUNTY RESOURCE RECOVERY, LLC  
AND/OR ITS AFFILIATES**

**December 12, 2017**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has approved the application of Sonoma County Resource Recovery, LLC (the “Borrower”), for financial assistance to finance or refinance the (i) acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and trailers, to be located at 7911 Redwood Drive, Cotati, CA 94931 (the “Site”) and/or (ii) acquisition of drop boxes, bins, carts and containers to be located at the Site and/or with customers located in incorporated or unincorporated portions of Sonoma County, CA, as more particularly described in Application No. 914(SB) of the Borrower (the “Project”) and has adopted its Resolution No. 17-01-584 (the “Final Resolution”) authorizing the issuance of revenue notes to provide such financial assistance; and

**WHEREAS**, the Authority has established the Small Business Assistance Fund (the “Fund”) to assist small businesses to obtain pollution control financing through the issuance of tax-exempt revenue bonds or notes (the “Notes”); and

**WHEREAS**, the Authority has received and accepted an application from the Borrower for assistance from the Fund; and

**WHEREAS**, Borrower is a “Small Business” as classified pursuant to Title 13 Code of Federal Regulations, Part 121, Subpart A (1-1-94 Edition) or it has 500 employees or less, and is otherwise eligible for assistance from the Fund; and

**WHEREAS**, the Project constitutes a “project” within the meaning of the California Pollution Control Financing Authority Act; and

**WHEREAS**, the Borrower has demonstrated a financial capability to make loan payments to the satisfaction of the purchaser of the Notes, as named in the Final Resolution; and

**WHEREAS**, authorization of assistance from the Fund is now sought;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority, as follows:

**Section 1.** The Authority hereby authorizes and approves up to \$162,000 of assistance from the Fund to the Borrower to be used for payment of certain costs of issuance of the Notes. The actual amount of assistance shall be determined by the Executive Director of the Authority based upon the final terms of the sale of the Notes and based on the financing amount eligible for allocation of volume cap pursuant to California Code of Regulations, Title 4, Section 8042(c).

**Section 2.** The Executive Director of the Authority is hereby authorized and directed to do any and all ministerial acts and to execute and deliver a contract for financial assistance with the Borrower in conformance with the terms of this resolution, which he or she may deem necessary or advisable in order to provide the assistance from the Fund and otherwise to effect the purposes of this resolution.

**Section 3.** This resolution shall take effect immediately upon adoption hereof. The adoption by the Authority of this resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

**THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**

**RESOLUTION NO. 14-147-17**

**A RESOLUTION TRANSFERRING A PORTION OF THE 2014 STATE CEILING  
ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN  
EXEMPT FACILITY PROJECT**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received an application (“Application”) from the Sonoma County Resource Recovery, LLC and/or its affiliates (“Project Sponsor”) for the dedication of a portion of the 2014 State Ceiling on Qualified Private Activity Bonds under Section 146 of the Internal Revenue Code of 1986, as amended, to finance a Project through the issuance of bonds or other obligations as specifically described in Exhibit A (“Project”) (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Regulations of the California Debt Limit Allocation Committee (the “Committee”) implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds);

**WHEREAS**, the Project Sponsor has represented and confirmed in its Application certain facts and information concerning the Project;

**WHEREAS**, in evaluating the Project and dedicating a portion of the State Ceiling on Qualified Private Activity Bonds to the Project Sponsor for the benefit of the Project, the Authority has relied upon the written facts and information represented in the Application by the Project Sponsor; and

**WHEREAS**, it is appropriate for the Authority to dedicate a portion of the 2014 State Ceiling on Qualified Private Activity Bonds in order to benefit such Project described in the Application;

**NOW, THEREFORE**, the California Pollution Control Financing Authority resolves as follows:

**Section 1.** There is hereby dedicated to the Project Sponsor an amount of the 2014 State Ceiling on Qualified Private Activity Bonds equal to **\$7,000,000** (“Allocation”). Such Allocation may be used only in connection with the issuance of bonds or other obligations to finance the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated herein as though set forth in full (this resolution, together with Exhibit A are hereafter referred to collectively as this “Resolution”).

**Section 2.** The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds. The Project Sponsor, and all of its respective successors and assignees, will be bound by such terms and conditions. The Project shall be subject to the monitoring provisions of section 5144 of the Committee’s Regulations.

**Section 3.** The Allocation must be used by December 31, 2017.

**Section 4.** Within twenty-four (24) hours of using the Allocation to issue Qualified Private Activity Bonds to finance the Project, the Authority shall notify the Committee at CDLAC@treasurer.ca.gov that the Allocation has been used. This notice shall identify the Project Sponsor, the project, the date the Allocation was used, and the Allocation amount.

**Section 5.** Within fifteen (15) calendar days of the Bond closing, the Authority shall formally transmit to the Committee information regarding the issuance of the Bonds by submitting a completed Report of Action Taken in a form prescribed by and made available by the Committee.

**Section 6.** Any differences between the amount of Bonds issued and the amount of the Allocation in Section 1 of this Resolution shall automatically revert to the Authority.

**Section 7.** Authority staff is authorized and directed to transmit a copy of this Resolution to the Project Sponsor together with a request that the Project Sponsor retain a copy of this Resolution for the term of the Bonds. Authority staff is further directed to retain a copy of this Resolution in the files of the Authority for the same period of time.

**Section 8.** In consideration of the Allocation dedicated to the Project, the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Project Sponsor expressly agrees that the terms and conditions of this Resolution may be enforced by the Authority or the Committee through an action for specific performance or any other available remedy, provided however, that the Authority and the Committee agree not to take such action or enforce any such remedy that would be materially adverse to the Bondholders. In addition, the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Committee is a third party beneficiary of the terms and conditions set forth in this Resolution. The Committee may consent to changes in the terms and conditions set forth in this Resolution as changed circumstances may dictate.

**Section 9.** The Certification of Compliance II or equivalent form must be submitted by the Project Sponsor to the Authority by February 1, but no later than March 1st annually until the project's Certificate of Completion has been submitted to the Authority. The Authority is responsible for reporting to CDLAC by March 1 annually via the Online Compliance System until project completion. A copy of the Certification of Compliance II and Certificate of Completion form may be found at this website location: <http://www.treasurer.ca.gov/cdlac>. Failure to submit compliance may result in disqualification from future program participation.

**Section 10.** This Resolution shall take effect immediately upon its adoption.

**RESOLUTION NO. 14-147-17**  
**(EXEMPT FACILITY PROJECT)**  
**EXHIBIT A**

1. Application No.: 914(SB)
2. Project Sponsor Sonoma County Resource Recovery, LLC and/or its affiliates
3. Project User: Same as Project Sponsor
4. Project Name: Town of Windsor Project
5. Location: 7911 Redwood Drive  
Cotati, CA 94931
6. Amount of Allocation: \$7,000,000
7. Pursuant to Section 5145(d) of the CDLAC Regulations, CDLAC must be designated in the bond documents to receive notice of changes in use and circumstances of Bond Default and Qualifying Bond Default.