

MINUTES

**California Pollution Control Financing Authority
801 Capitol Mall, Room 150
Sacramento, California
July 17, 2018**

1. CALL TO ORDER & ROLL CALL

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

Members Present: Jacqueline Wong-Hernandez for Michael Cohen, Director of Finance
Anne Baker for Betty Yee, State Controller
Tim Schaefer for John Chiang, State Treasurer

Staff Present: Renee Webster-Hawkins, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Mr. Schaefer asked if there were any questions or comments concerning the meeting minutes from the meeting held June 20, 2018. There were none. Mr. Schaefer asked if there was anyone with comments on the telephone, staff confirmed there was not.

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

The item was passed by the following vote:

Jacqueline Wong-Hernandez for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Tim Schaefer for the State Treasurer	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Webster-Hawkins greeted the Board and began her report with contracts that she had signed since the previous Board Meeting. She stated that on June 16, 2018, she signed contract number 07-01-016, Amendment 4, which was an interagency agreement with the California Department of Housing and Community Development (HCD) that the Board had approved at the previous Board Meeting. The amendment made available an amount of \$722,000 from other projects and allocated the funds for use on the Sacramento Railyards Remediation Project.

Ms. Webster-Hawkins stated that on July 11, 2018, she signed three contracts relating to the Board approved standard agreements with the Law Offices of Leslie M. Lava; Orrick,

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Herrington & Sutcliffe; and Stradling, Yocca, Carlson & Rauth. She stated that each agreement was for \$166,666, for purposes of providing legal counsel in the event of conflict with the Attorney General's Office.

Ms. Webster-Hawkins stated that she signed three initial resolutions pursuant to CPCFA's delegated authority:

- On July 11, 2018, Ms. Webster-Hawkins signed Initial Resolution No. 18-03 for Rialto BioEnergy Facility LLC in the amount of \$117,200,000 for the purpose of building a non-hazardous solid waste treatment and disposal facility and for the acquisition of new equipment.
- On July 11, 2018, Ms. Webster-Hawkins signed Initial Resolution No. 18-04 for Atlas Disposal Industries, LLC and its affiliates in an amount not to exceed \$5,105,000 for the construction of a new maintenance facility and for the purchase of CNG vehicles for their operations.
- On July 16, 2018, Ms. Webster-Hawkins approved an amendment to Initial Resolution 16-18 for Viridis Fuels, LLC that would increase allocation to cover increased project costs. She stated that the final resolution will be presented at the August 21, 2018 Board Meeting for CPCFA and will go before the California Debt Limit Allocation Committee (CDLAC) for approval in September.

Ms. Webster-Hawkins welcomed Mark Paxson from the General Counsel for the State Treasurer's Office and thanked him for his attendance in the audience.

Ms. Webster-Hawkins noted that for the Bond Program, the audit for fiscal year 2016/2017 was completed, published and available for view by members of the public. She stated there were no findings.

Ms. Webster-Hawkins stated that in August 2018, the 20,000th truck is expected to be financed by the CalCAP CARB program.

Ms. Webster-Hawkins stated that AB 1547 passed from the Senate Business, Professions, and Economic Development Committee on June 25, 2018, with a 9-0 vote and is scheduled for the Senate Appropriations Committee on August 6, 2018. For SB 551, she stated that it was waived from the Assembly Banking and Finance Committee and will likely be heard by the Assembly Appropriations Committee on August 8, 2018.

She noted that the next CPCFA Board Meeting will occur on Tuesday, August 21, 2018, to coincide with the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) Board Meeting at 915 Capitol Mall, Room 587.

Ms. Webster Hawkins finished her report by welcoming Ms. Kelly Sobkowsky as CPCFA's newest Staff Services Analyst. She asked the Board if there were any questions.

Ms. Baker stated that in regards to SB 551, the State Controller's Office will continue to communicate to legislative leadership their opposition to the bill.

Mr. Schaefer stated that the State Treasurer's Office echoes Ms. Baker's statement. He stated that he is working with Ms. Webster-Hawkins to clarify the possible tax consequences in regards to SB 551 to avoid unintended repercussions in the future.

Mr. Schaefer asked if there were any comments. There were none.

4. BUSINESS ITEMS

A. REQUEST FOR APPROVAL OF AMENDMENT 7 TO INTERAGENCY AGREEMENT NO. 13-606 WITH THE CALIFORNIA AIR RESOURCES BOARD REGARDING THE CALIFORNIA CAPITAL ACCESS PROGRAM INDEPENDENT CONTRIBUTOR PROGRAM

Presented by: Doreen Smith, Treasury Program Manager I

Staff requested approval to amend Interagency Agreement No. 13-606 between the California Pollution Control Financing Authority and the Air Resources Board. The Agreement funded loan loss reserve contributions for the On-Road Heavy Duty Vehicle Air Quality Loan Program and this amendment would add an additional \$15 million to the agreement, increasing the total allocated amount of the Agreement from \$83 million to \$98 million.

Staff also requested authorization for the Executive Director to execute additional amendments to the Agreement if the Air Resources Board decides to supplement the allocation of funds towards the Program.

This would allow the Executive Director to approve any consecutive amendments accepting additional funds towards the Program. This delegation resolution would be in force through the term of this Agreement which is March 31, 2019.

Staff recommended approval of Resolution No. 18-02-001 to authorize the Executive Director or Deputy Executive Director to execute a seventh amendment to Interagency Agreement No. 13-606 with the revision described above, and any consecutive amendments should the Air Resources Board desire to allocate additional funding to the Program.

Mr. Schaefer asked to clarify that there are two separate components to this resolution: To accept the \$15,000,000 in additional funding and to accomplish the delegation from the Board to the Executive Director.

Ms. Smith confirmed.

Ms. Wong-Hernandez moved approval of the item; there was a second.

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Mr. Schaefer asked for any comments on the item. There were none.

The item was passed by the following vote:

Jacqueline Wong-Hernandez for the Director of Finance	Aye
Anne Baker for the State Controller	Aye
Tim Schaefer for the State Treasurer	Aye

5. PUBLIC COMMENT

Mr. Schaefer 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 10:44 a.m.

Respectfully submitted,



Renee Webster-Hawkins
Executive Director