

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
BOND FINANCING PROGRAM
Meeting Date: March 17, 2020**

*Request to Approve Resolution Authorizing the Issuance
of Refunding Revenue Notes*

Prepared by: *Solomita Malko*

Applicant:	GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd., Zero Waste Energy Development Company LLC and/or their respective affiliates	Amount Requested:	\$142,285,000
		Application No.:	932
		Final Resolution No.:	20-01-597
Project Location:	Various Locations throughout California		

Summary. GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd., Zero Waste Energy Development Company LLC, and/or their respective affiliates (“GreenWaste-Zanker-Zero Waste” or the “Companies”) request approval of a Resolution to issue refunding revenue notes in a total amount not to exceed \$142,285,000. This amount will refund the previously issued Series 2013, 2014, and 2017 GreenWaste Notes in an amount not to exceed \$71,655,000, the Series 2013, 2016, and 2017 Zanker Notes in an amount not to exceed \$52,755,000, and the Series 2013 Zero Waste Notes in an amount not to exceed \$17,875,000, respectively.

Borrower. GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd., and Zero Waste Energy Development Company LLC were incorporated in San Jose, California in 1991, 1984, and 2009, respectively. The Companies provide refuse collection, recycling, and disposal services in Santa Clara, Santa Cruz, Monterey, Sonoma, and Sacramento Counties.

The principal stockholders of GreenWaste Recovery, Inc. are as follows:

Richard A. Cristina & Diane L. Cristina, Trustees	19.79%
Murray B. Hall, Trustee	17.29%
Frank C. Weigel, Trustee	10.42%
Juan & Cindy Pena, Trustees	10.42%
Eric A. Bracher & Vivian M. Bracher, Trustees	8.54%
William H. Giannini & Linda D. Giannini, Trustees	4.79%
Gene P. Carter & Patricia J. Carter, Trustees	4.17%
Gary V. Giannini & Susan M. Giannini, Trustees	4.17%
Patricia L. Sheehan, Trustee	4.17%
Herbert Sweatt, Trustee	4.17%
Various (less than 3% each)	<u>12.07%</u>
Total:	<u>100.00%</u>

The General and Limited Partners of Zanker Road Resource Management, Ltd. are as follows:

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General Partners

Zanker Road Resource Recovery, Inc. (50% each Richard A. Cristina & Murray B. Hall)	30.0000%
H.L. Sweatt, Inc. (50% each Herbert & Nancy Sweatt)	10.0000%

Limited Partners

Diana L. Couch	9.0044%
John D. Couch	9.0044%
Kenneth W. Zerbe	7.0588%
Gene Carter	7.0588%
Neal Family Revocable Trust	5.2941%
Sportsell L.P. #4	10.5882%
Various (less than 3% each)	<u>11.9913%</u>
Total:	<u>100.0000%</u>

The Partners of Zero Waste Energy Development Company LLC are as follows:

Partners

GreenWaste Recovery, Inc.	50%
Zanker Road Resource Management, Ltd.	<u>50%</u>
Total:	<u>100%</u>

Legal Questionnaire. The Staff has reviewed the Companies' 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.

Prior Financings. Prior financings are listed below.

Description	Date of Bond Issue	Original Amount	Amount Outstanding as of 4/1/20
GreenWaste Recovery, Inc. Series 1999B	06/03/1999	\$3,625,000	\$0
Zanker Road Landfill Series 1999C	06/03/1999	\$6,370,000	\$0
GreenWaste Recovery, Inc. Series 2007A	05/30/2007	\$38,305,000	\$0
GreenWaste Recovery, Inc. Series 2008A	10/08/2008	\$16,110,000	\$0
Zanker Road Resource Management, Ltd. Series 2011A	03/02/2011	\$4,945,000	\$0
Zero Waste Energy Development Co. LLC Series 2012A	06/06/2012	\$32,390,000	\$0
Zanker Road Resource Management, Ltd. Series 2013	11/06/2013	\$29,755,000	\$29,755,000
Zero Waste Energy Development Company LLC Series 2013	11/06/2013	\$32,390,000	\$17,875,000
GreenWaste Recovery, Inc. Series 2013	11/6/2013	\$40,880,000	\$23,710,000

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GreenWaste Recovery, Inc. Series 2014	12/04/2014	\$28,300,000	\$22,945,000
Zanker Road Resource Management, Ltd., Series 2016	12/28/2016	\$10,000,000	\$10,000,000
Zanker Road Resource Management, Ltd., Series 2017	12/28/2017	\$13,000,000	\$13,000,000
GreenWaste Recovery, Inc., Series 2017	12/28/2017	\$25,000,000	\$25,000,000
TOTALS:		\$281,070,000	\$142,285,000

Current Request. GreenWaste-Zanker-Zero Waste are seeking approval to refund the Series 2013, 2014, and 2017 GreenWaste Notes, the Series 2013, 2016, and 2017 Zanker Notes, and the Series 2013 Zero Waste Notes in the aggregate principal amount of \$142,285,000. This change in structure will eliminate the unusual Three-Party Agreement format demanded by the banks at the time of the issuance of those initial Notes and will otherwise consolidate seven outstanding Authority note issues into three Authority note issues.

The merging of all outstanding Note issues into new, consolidated 2020 Note documents for each Company will allow the 2020 Notes to be subject to the Authority's preferred model bond/note document structure. As such, the prior Three-Party Agreements for each transaction and all related documents will no longer be outstanding. This consolidation will also result in the cancellation of 38 outstanding Notes, which will be replaced by a total of 15 Notes. All costs of issuance will be paid by the Companies.

Fees. The applicant has paid an application fee of \$5,000. Based on CPCFA's regulations, the Administrative Fee for Refunding transactions is calculated at two-tenths (2/10th) of one percent based on the principal amount (minus the application fee). For this transaction, the Administrative Fee is equal to \$279,570. The total amount of administrative fees paid by the Companies in prior financings is \$392,140.53.

Financing Details. The Companies anticipate a direct bank purchase of negotiated tax-exempt notes with Umpqua Bank, MUFG Union Bank, N.A., Wells Fargo Bank, National Association, and Comerica Bank, which are Qualified Institutional Buyers (QIBs) 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. In past financings, Bank of the West has been a private placement purchaser in a group of banks for the GreenWaste-Zanker-Zero Waste projects. Comerica Bank has replaced Bank of the West in this particular financing.

Financing Team.

Municipal Advisor to Borrower : Westhoff, Cone & Holmstedt
Note Counsel: Law Offices of Leslie M. Lava
Note Purchasers: Umpqua Bank, Comerica Bank, Wells Fargo Bank, National Association, and MUFG Union Bank, N.A.
Trustee: The Bank of New York Mellon Trust Company, N.A.

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Staff Recommendation. Staff recommends approval of Resolution No. 20-01-597 for GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd., Zero Waste Energy Development Company LLC and/or their respective affiliates for an amount not to exceed \$142,285,000.

**RESOLUTION OF THE
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
AUTHORIZING THE ISSUANCE OF REVENUE NOTES
FOR THE SOLID WASTE DISPOSAL/RECYCLING FACILITIES AND EQUIPMENT
OF GREENWASTE RECOVERY, INC.,
ZANKER ROAD RESOURCE MANAGEMENT, LTD.,
ZERO WASTE ENERGY DEVELOPMENT LLC
AND/OR THEIR RESPECTIVE AFFILIATES**

March 17, 2020

WHEREAS, the California Pollution Control Financing Authority (the “Authority”) has received the application of GreenWaste Recovery, Inc., Zanker Road Resource Management, Ltd. and Zero Waste Energy Development LLC (each, the “Borrower” and, together, the “Borrowers”) for financial assistance to refinance (i) the Authority’s Variable Rate Demand Solid Waste Disposal Revenue Notes (GreenWaste Recovery, Inc. Project) Series 2013, Series 2014 and Series 2017 (the “Prior GreenWaste Notes”), (ii) the Authority’s Variable Rate Demand Solid Waste Disposal Revenue Notes (Zanker Road Resource Management, Ltd. Project) Series 2013, Series 2016 and Series 2017 (the “Prior Zanker Notes”), and (iii) the Authority’s Variable Rate Demand Solid Waste Disposal Revenue Notes (Zero Waste Energy Development LLC Project) Series 2013 (the “Prior Zero Waste Notes” and, together with the Prior GreenWaste Notes and the Prior Zanker Notes, the “Prior Notes”); and

WHEREAS, the Borrower now wishes to refund the Prior GreenWaste Notes which (1) financed or refinanced the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment, including rolling stock, and other equipment functionally related thereto, (2) financed or refinanced the construction of an anaerobic digester and related site improvements and the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, and (3) refunded three outstanding Authority revenue bond issues which financed or refinanced the acquisition, construction, installation, renovation and/or equipping of certain solid waste facilities, all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”) (together, the “Prior GreenWaste Project”); and

WHEREAS, the Borrower now wishes to refund the Prior Zanker Notes which (1) financed or refinanced the construction of site improvements, and/or the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, and (2) refunded two outstanding Authority revenue bond issues which financed or refinanced the acquisition of land, the construction of a resource recovery facility and the acquisition and installation of equipment for the processing and transfer of solid waste, all as more particularly described in the Term Sheet (the “Prior Zanker Project”); and

WHEREAS, the Borrower now wishes to refund the Prior Zero Waste Notes which refinanced the construction of solid waste related buildings and related site improvements, and/or the acquisition and installation, if any, of equipment for the collection, processing and transfer of solid waste, including rolling stock and anaerobic digesters, and other equipment functionally related thereto, all as more particularly described in the Term Sheet (the “Prior Zero Waste Project” and, together with the Prior GreenWaste Project and the Prior Zanker Project, the “Project”); and

WHEREAS, the Borrower has requested the Authority to issue its revenue notes in an amount not to exceed \$142,285,000 to assist in the refunding of the Prior Notes; and

WHEREAS, the proceeds of such revenue notes will be loaned to each Borrower under the hereinafter referred loan agreements 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 each Borrower is a “participating party” within the meaning of the California Pollution Control Financing Authority Act (the “Act”).

Section 2. Pursuant to the Act, (i) revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (GreenWaste Recovery, Inc.) Series 2020” (the “GreenWaste Notes”), or such alternate designation as may be approved by the Executive Director of the Authority, in an aggregate principal amount not to exceed \$71,655,000, (ii) revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Zanker Road Resource Management, Ltd.) Series 2020” (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 \$52,755,000, and (iii) revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Zero Waste Energy Development LLC) Series 2020” (the “Zero Waste Notes” and, together with the GreenWaste Notes and the Zanker Notes, 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 \$17,875,000, are all hereby authorized to be issued. Each series of the Notes may be issued at one time in one or more sub-series separately or differently identified, and may be issued in a tax-exempt mode, all in accordance with the each related Indenture (as hereinafter defined) as finally executed. The proceeds of the Notes shall be used to make a loan to the Borrowers to refund the Prior Bonds.

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, 2020, by negotiated sale, at such price and at such interest rate or rates as she may determine, such determination to be as set forth in the each Purchase Contract (as hereinafter defined). 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 each series of the Notes (together, the “Loan Agreements”) between the Authority and each of the Borrowers;

(ii) an indenture relating to the each series of the Notes (together, the “Indentures”) between the Authority and the trustee named in the Term Sheet (the “Trustee”); and

(iii) a note purchase contract relating to each series of the Notes (together, the “Purchase Contracts”) among the Authority, the Treasurer of the State of California, as agent for sale, and the banks named in the Term Sheet, as purchaser (the “Purchaser”), and as approved by the applicable 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. Any material changes to the note sale structure prior to the issuance of the Notes are subject to further approval by the Authority. If material changes are approved by the Authority, the Executive Director of the Authority shall immediately report any material changes to the Executive Director of California Debt Limit Allocation Committee (“CDLAC”). CDLAC may require approval of the material change by the Committee Chair or the Executive Director of CDLAC before the Notes may be used.

Section 6. The Authority understands and agrees that pursuant to the terms of the Loan Agreements, the obligations of each of the Borrowers may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an Affiliate of such Borrower. For purposes of this Resolution, an “Affiliate” of a 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, such 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 7. 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 related Indentures, as finally executed.

Section 8. The Notes shall be executed by the manual or facsimile signature of the Chair or any Deputy to the Chair and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the forms set forth in and otherwise in accordance with the Indentures. The Notes, when executed, shall be delivered to the Trustee under the Indentures 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 Purchasers 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 Purchasers upon payment of the purchase price thereof.

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 Indentures, the Loan Agreements and the Purchase Contracts. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, tax certificates.

Section 10. The provisions of Resolution No. 19-01-001 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 15, 2019 (the "Delegation Resolution"), apply to the documents and actions approved in this Resolution, and the provisions of Resolution No. 19-01-001 are incorporated herein by reference. This Section 10 shall be deemed to refer to and incorporate any resolution of a similar nature adopted hereafter by the Authority which replaces or supersedes the Delegation Resolution.

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 resolution for the Borrowers 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

Names of Issues:	California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (GreenWaste Recovery, Inc.) Series 2020 (“GreenWaste Notes”), California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Zanker Road Resource Management, Ltd.) Series 2020 (“Zanker Notes”) and California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Zero Waste Energy Development Company LLC) Series 2020 (“Zero Waste Notes”) or such alternate designation as may be approved by the Executive Director of the Authority (collectively, the “Notes”)
Maximum Amount of Issues:	GreenWaste Notes: \$71,655,000 (tax-exempt) Zanker Notes: \$52,755,000 (tax-exempt) Zero Waste Notes: \$17,875,000 (tax-exempt)
Issuer:	California Pollution Control Financing Authority (the “Authority”) Sacramento, California
Borrowers:	GreenWaste Notes: GreenWaste Recovery, Inc., a California corporation San Jose, California Zanker Notes: Zanker Road Resource Management, Ltd., a California limited partnership San Jose, California

Zero Waste Notes: Zero Waste Energy
Development Company LLC, a California
limited liability company
San Jose, California

Purchasers:

Umpqua Bank
Newport Beach, CA

MUFG Union Bank, N.A.
Ontario, California

Wells Fargo Bank, National Association
Walnut Creek, CA

Comerica Bank
San Jose, CA

Note Counsel:

Leslie M. Lava, Esq.
Tiburon, California

Trustee:

The Bank of New York Mellon Trust
Company, N.A.
Los Angeles, California

Underwriter:

Not applicable

Remarketing Agent:

Not applicable

Project:

Prior GreenWaste Project: The Prior
GreenWaste Project consisted of the 2013
Prior Project, the 2014 Prior Project and the
2017 Prior Project, as described below.

2013 Prior Project

(1) The financing or refinancing of (i)
the acquisition of rolling stock and drop
boxes, bins, carts and containers, and/or (ii)
the acquisition and installation, if any, of
equipment for the collection, processing,
transfer and recycling of solid waste and/or
resource recovery equipment and other
equipment functionally related thereto,
located at one or more of the following
addresses: 565, 625, 645, 651 and 653

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Charles Street, San Jose, CA 95112, 1500 Berger Drive, San Jose, CA 95112, 1201 No. 15th Street, San Jose, CA 95112, 275, 355 and 375 Industrial Road, Watsonville, CA 95076, 2755 and 2765 Lafayette Street, Santa Clara, CA 95050 and 2000 Geng Road, Palo Alto, CA 94303.

(2) The financing or refinancing of (i) the construction of an anaerobic digester and related site improvements, and/or (ii) the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, located at 685 Los Esteros Road, San Jose, CA 95134.

(3) The refunding of the following three projects:

(i) 1999B Prior Project. The 1999B Prior Project consisted of the financing of the construction of a recycling and resource recovery and composting facility and the acquisition and installation of certain equipment related thereto all owned and operated by the Borrower and located in Santa Clara County, California.

(ii) 2007 Prior Project. The 2007 Prior Project consisted of the financing of: (i) improvements to a materials recovery facility and the acquisition of equipment, rolling stock and vehicles for the collection, processing and transfer of solid waste and other equipment and facilities functionally related thereto, all to be located at 625 and 645 Charles Street, San Jose, California 95112, (ii) the acquisition of land, the acquisition and renovation of buildings thereon to house offices and truck maintenance, washing and storage, and the acquisition of equipment, rolling stock and vehicles for the collection, processing and transfer of solid waste and

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other equipment and facilities functionally related thereto, all to be located at 565 Charles Street, San Jose, California 95112, (iii) the acquisition of equipment, rolling stock and vehicles for the collection, processing and transfer of solid waste and other equipment and facilities functionally related thereto, all to be located at 1340 West Beach Street and/or 375 Industrial Road, Watsonville, California 95076, and (iv) the acquisition of drop boxes, bins, carts and containers to be located with customers in the City of San Jose, California and in various incorporated and unincorporated portions of Santa Clara and Santa Cruz Counties, California, and/or to be located, together with rolling stock and vehicles for the collection, processing and transfer of solid waste, at 1555 South 7th Street, San Jose, California 95112.

(iii) 2008 Prior Project. The 2008 Prior Project consisted of the financing or refinancing of (1) improvements to an existing materials recovery facility located at 625 and/or 645 Charles Street, San Jose, California 95112; (2) the construction of a building to house offices and truck maintenance and storage and site improvements thereon, including without limitation paving and drainage, to be located at 565 Charles Street, San Jose, California 95112; (3) improvements to a corporate yard to house offices and truck maintenance and storage and site improvements thereon, including without limitation paving, to be located at 275, 355 and/or 375 Industrial Road, Watsonville, California 95076; (4) improvements to a corporate yard to house recyclables storage area to be located at 1309 Dynamic Street, Petaluma, California 94954; (5) computer system upgrades to be located at 1500 Berger Drive, San Jose, California 95112; (6) the acquisition and/or retrofitting of equipment, rolling stock and vehicles for

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the collection, processing and transfer of solid waste and other equipment and facilities functionally related thereto, to be located at (i) 565, 625 and/or 645 Charles Street, San Jose, California 95112, (ii) 1500 Berger Drive, San Jose, California 95112, (iii) 1309 Dynamic Street, Petaluma, California 94954, (iv) 1340 West Beach Street, Watsonville, California 95076, (v) 275, 355 and/or 375 Industrial Road, Watsonville, California 95076, and/or (vi) 675 and 705 Los Esteros Road, San Jose, California 95134; and/or (7) the acquisition of drop boxes, bins, carts and containers to be located with customers in various incorporated and/or unincorporated portions of Santa Clara, Sonoma, San Mateo and Santa Cruz Counties, California, and/or at any or all of the aforementioned sites.

2014 Prior Project

The financing or refinancing of (i) the acquisition and installation, if any, of equipment for the collection, processing and transfer of solid waste, including compressed natural gas waste collection vehicles, maintenance, sorting and office equipment and/or other equipment functionally related thereto, located at one or more of the following addresses: 14201 Del Monte Blvd., Marina, California 93933, 575 and/or 625 Charles Street, San Jose, California 95112 and/or 375 Industrial Road, Watsonville, California 95076 (together, the “2014 Sites”), and/or (ii) the acquisition of drop boxes, bins, carts and/or containers located at any or all of the 2014 Sites and/or with customers located throughout Monterey County, California.

2017 Prior Project

The financing or refinancing of (i) the construction of site improvements and/or the acquisition and installation, if

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any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and materials recovery equipment, located at one or more of the following addresses: 565, 575, 625, 645, 651 and/or 653 Charles Street, San Jose, CA 95112, 375 Industrial Road, Watsonville, CA 95076 and/or 14201 Del Monte Blvd., Marina, CA 93933 (the “2017 Sites”), and/or (ii) the acquisition of drop boxes, bins, carts and containers located at one or more of the 2017 Sites and/or with customers located in incorporated or unincorporated portions of Santa Clara, Santa Cruz and/or Monterey Counties, CA.

Prior Zanker Project: The Prior Zanker Project consisted of the 2013 Prior Project, the 2016 Prior Project and the 2017 Prior Project, as described below.

2013 Prior Project

(1) The financing or refinancing of (i) the improvement of buildings to house office functions, (ii) the construction of site improvements, and/or (iii) the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, including without limitation, a sort line, all to be located at one or more of the following addresses: 675, 685 and 705 Los Esteros Road, San Jose, CA 95134, 980 State Highway 25, Gilroy, CA 95020 and 4201 Florin Perkins Road, Sacramento, CA 95826.

(2) The financing or refinancing of (i) the construction of an anaerobic digester and related site improvements, and/or (ii)

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the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, located at 685 Los Esteros Road, San Jose, CA 95134.

(3) The refunding of the following two projects:

1999C Project. The 1999C Project consisted of the acquisition of an approximately 20 acre site and construction of a resource recovery facility thereon, the expansion of a composting facility and the acquisition and installation of certain equipment related thereto all owned and operated by the Borrower and located in Santa Clara County, California.

2011 Project. The 2011 Project consisted of the financing or refinancing of the acquisition and installation of equipment for the processing and transfer of solid waste at a construction and demolition debris processing facility and at a wood and yard waste processing facility and other equipment functionally related thereto and the construction of related site improvements all located at 675 and/or 705 Los Esteros Road, San Jose, California 95134.

2016 Prior Project

The financing or refinancing of (A) (i) improvements to buildings which house solid waste related functions, (ii) the construction of site improvements, and/or (iii) the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, all located at one or more of the following addresses: 675 and 705 Los

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Esteros Road, San Jose, CA 95134, 980 State Highway 25, Gilroy, CA 95020 and 4201 Florin Perkins Road, Sacramento, CA 95826 (the “2016 Sites”), and/or (B) the acquisition of drop boxes, bins, carts and containers located at one or more of the 2016 Sites and/or with customers located in incorporated or unincorporated portions of Santa Clara and/or Sacramento Counties, California.

2017 Prior Project

The financing or refinancing of (i) improvements to a building which houses solid waste related functions, the construction of site improvements, and/or the acquisition and installation, if any, of equipment for the collection, processing, transfer and recycling of solid waste and/or resource recovery equipment and other equipment functionally related thereto, including, without limitation, rolling stock, collection and other vehicles and materials recovery equipment, all located at one or more of the following addresses: 675 and/or 705 Los Esteros Road, San Jose, CA 95134, 980 State Highway 25, Gilroy, CA 95020 and/or 4201 Florin Perkins Road, Sacramento, CA 95826 (the “2017 Sites”), and/or (ii) the acquisition of drop boxes, bins, carts and containers located at one or more of the 2017 Sites and/or with customers located in incorporated or unincorporated portions of Santa Clara and/or Sacramento Counties, CA.

Prior Zero Waste Project: The Prior Zero Waste Project consisted of the refunding of a 2012A Project which financed or refinanced (i) the construction of buildings, the acquisition and installation, if any, of solid waste collection, processing and/or transporting equipment, including rolling stock and vehicles and/or resource recovery related equipment, including anaerobic digesters, and other equipment functionally

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related thereto, and related site improvements, all located at one or more of the following addresses: 2100 Los Esteros Road, San Jose, California 95134, 980 State Highway 25, Gilroy, California 95020 and/or 1231 Buena Vista Drive, Watsonville, California 95076 (the “2012 Site”) and (ii) the provision for utilities on the public right of way adjacent to the 2012 Site.

Maximum Note Term:	Not to exceed 25 years
Type of Sale:	Negotiated sale; direct purchase by Purchasers
Description of Minimum Denominations:	\$250,000 or any integral multiple of \$5,000 in excess thereof during index interest rate period (initial period)
Financing Structure:	Index interest rate notes, convertible to term interest rate or weekly variable rate with tender option pursuant to the Indentures; 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
Maximum Interest Rate:	Lesser of 12% or the maximum rate permitted by law
Letter of Credit:	Not applicable
Other Credit Enhancement:	Not applicable
Anticipated Note Rating:	Unrated
Type of Financing:	Solid waste disposal revenue notes
Prepared by:	Leslie M. Lava, Esq. Law Offices of Leslie M. Lava (415) 331-6464