

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
Tuesday, January 18, 2022**

In light of the COVID-19 pandemic and in accordance with the requirements of Executive Order N-08-21, paragraph 42, that was issued on June 11, 2021, to provide social distancing at state body meetings, CPCFA provided Authority members, participants, and members of the public the opportunity to participate in this meeting via teleconference.

Public Participation Call-In Number: (877) 853-5257, Meeting ID: 987 6693 6958, and Passcode: 560284

1. Call to Order & Roll Call

Treasurer Fiona Ma, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:50 a.m.

Members Present: Fiona Ma, CPA, State Treasurer (via teleconference)
Tony Sertich for Betty T. Yee, State Controller
(via teleconference)
Gayle Miller for Keely Martin Bosler, Director of Finance
(via teleconference)

Staff Present: Shela Tobias-Daniel, Executive Director

Quorum: The Chairperson declared a quorum

2. Minutes

Treasurer Ma asked if there were any questions or comments concerning the meeting minutes from the meeting held on December 15, 2021. There were none.

Mr. Sertich moved approval of the minutes; upon a second, the minutes were unanimously approved.

The item was passed by the following vote:

Gayle Miller for Keely Martin Bosler, Director of Finance	Aye
Tony Sertich for Betty T. Yee, State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

3. Executive Director's Report

Presented by: Shela Tobias-Daniel, Executive Director

Ms. Tobias-Daniel started her Executive Director report by expressing to the Board that 2021 was a challenging year for CPCFA. It was filled with many transitions, yet great strides were made in all its programs. The challenges of telework were met head on during the COVID-19 pandemic and CPCFA staff smoothly transitioned to a hybrid teleworking schedule. The Authority staff successfully met all its obligations and commitments.

In addition, Ms. Tobias-Daniel reported that CPCFA's Bond program served as a conduit issuer for bonds and notes for five solid waste disposal companies issuing a total amount of \$162,230,000. One of the issuances went to SoCal Biomethane, LLC, and its affiliates for tax-exempt notes not to exceed \$13,000,000 for use in a project located at the Victor Valley Wastewater Reclamation Authority's (VWVRA) wastewater treatment plant. Ms. Tobias-Daniel reported that VWVRA will be the first wastewater treatment plant injecting into natural gas pipelines a renewable natural gas derived from co-digestion, food waste along with biosolids being digested together in an anaerobic digester. This technology advancement is important for California with recent legislation such as SB 1383, that has taken effect and requires organic waste be recycled instead of landfilled.

Ms. Tobias-Daniel mentioned that the CalCAP program continued its strong performance. Ms. Tobias-Daniel stated that the purpose of CalCAP is to get capital into the hands of those that need it most.

Ms. Tobias-Daniel also mentioned that small businesses are the backbone of California's economy. CPCFA's CalCAP program provides an avenue for private capital participation for those that otherwise might never have that opportunity. Ms. Tobias-Daniel reported nearly 70% of these businesses thrive after being eligible for CalCAP programs.

Currently, CalCAP and IBank are applying together for the State Small Business Credit Initiative 2.0 (SSBCI 2.0). Ms. Tobias-Daniel stated that the California SSBCI 2.0 application with co-applicant, IBank, is set to meet the February 11, 2022, deadline. She also indicated that the Treasury has specifically mentioned California's SSBCI program as a shining example of how the program should work for other states.

Ms. Tobias-Daniel also reported on CalCAP's truck loan program, which is a partnership with the California Air Resources Board (CARB). The program has just surpassed a milestone of financing 35,000 loans for cleaner trucks which has helped get more than 36,000 low-emission heavy-duty trucks on the road.

Ms. Tobias-Daniel stated that as of January 6, 2022, CPCFA welcomed a new Deputy Executive Director, Christina Sarron. She also praised the CPCFA staff for its teamwork, flexibility, and adaptability in keeping the programs running smoothly.

Ms. Tobias-Daniel concluded her report by stating that there were two items approved under her delegated authority since the December Board meeting. Both items were approved on December 17, 2021. The first item was an Initial Resolution (IR) amendment, restatement, and extension for Poseidon Resources (Channelside), LP. The amount of the IR increased to \$200,000,000 and the expiration date was extended to December 17, 2024. The second item approved consisted of amendments to two documents for the 2012 Poseidon Resources (Channelside), LP issuance and the 2019 San Diego County Water Resources issuance which changed the monthly disbursement date from the 5th business day to the 10th business day of each month.

Mr. Sertich asked Ms. Tobias-Daniel which Poseidon location she was referring to?

Ms. Tobias-Daniel replied by stating that she will present the Board members with the correct location. (For the record, the Board members were later informed that the Poseidon location in both instances refers to Carlsbad, where there is an existing desalination facility. There are the existing bonds for the construction of that project, as well as an Initial Resolution for a possible future issuance for modifications.)

Treasurer Ma asked if there were any questions or comments from the Board or public. There were none.

4. Business Items

A. Request to Approve a Third Amendment to an Interagency Agreement with the California Air Resources Board Regarding the Capital Access Loan Program Independent Contributor Program, Heavy-Duty Vehicle Air Quality Loan Program

Presented by: Doreen Smith, Staff Services Manager

Ms. Smith began her report by stating that CPCFA has had an Interagency Agreement with the California Air Resources Board under the California Capital Access Loan Program to provide Independent Contributions to CPCFA in its role as administrator and operator of CARB's Heavy-Duty Vehicle Air Quality Loan Program. Ms. Smith also reported the program started in 2009.

Ms. Smith stated that the request seeks a third amendment to the IA, under CARB 18MSC004, between CPCFA and CARB to increase the total amount of the agreement to \$102.24 million.

Agenda Item 2.

Ms. Smith continued by stating that CARB is an Independent Contributor under CalCAP and provides financial assistance to small-business owners who have heavy-duty vehicles affected by CARB's truck and bus regulation and other air pollution control mandates.

Ms. Smith recommended approval of Resolution No. 22-02-001 to authorize the Executive Director or Deputy Executive Director to execute Amendment 3 to Interagency Agreement CARB 18MSC004 to increase the total amount of the agreement to \$102.24 million.

Treasurer Ma asked if there were any questions or comments from the Board or public. There were none.

Mr. Sertich moved approval and mentioned that he appreciates the efforts of the CARB and CalCAP program staff; there was a second.

The item was passed by the following vote:

Gayle Miller for Keely Martin Bosler, Director of Finance	Aye
Tony Sertich for Betty T. Yee, State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

5. Public Comment

Treasurer Ma 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 11:04 a.m.

Respectfully submitted,

(Originally Signed By)

Shela Tobias-Daniel
Executive Director