

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
December 13, 2022**

In accordance with Government Code Section 11133 et. Seq., 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 Participant Code 560284

1. Call to Order & Roll Call

Fiona Ma, CPA, State Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:51 a.m.

Members Present: Fiona Ma, CPA, State Treasurer
Tony Sertich for Betty T. Yee, State Controller
Gayle Miller for Joe Stephenshaw, Director of Finance

Staff Present: Shela Tobias-Daniel, Executive Director
Christina Sarron, Deputy Executive Director
Solomita Malko, Associate Governmental Program Analyst
(Remotely)
Doreen Smith, Staff Services Manager I
Nicholas Polisner, Office Technician

Quorum: The Chairperson declared a quorum

2. Minutes (Action Item)

Treasurer Ma asked the board members if there were any questions or comments concerning the meeting minutes from the November 15, 2022 board meeting. There were none.

Mr. Sertich moved approval of the minutes; Ms. Miller provided the second.

Treasurer Ma asked if there were any public comments. There were none.

The minutes were approved.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Gayle Miller, for the Director of Finance	Aye
Tony Sertich, for the State Controller	Aye

3. Executive Director's Report (Information Item) Presented by Shela Tobias-Daniel, Executive Director

Ms. Tobias-Daniel presented her report and provided information on the following topics. Ms. Tobias-Daniel participated as a panelist for the State Small Business Credit Initiative (SSBCI) Virtual conference given by U.S. Treasury (UST) where she was asked to discuss the CalCAP program's performance. She and the CalCAP program managers also presented at a webinar hosted by the California Community Economic Development Association (CCEDA), providing an overview of the CalCAP program for prospective financial institutions.

Ms. Tobias-Daniel reported that the Outreach Staff presented regarding the CPCFA Bond Program and CalCAP Collateral Support Program at the CalRecycle Zone Works Event.

Ms. Tobias-Daniel stated that CPCFA is in the planning stages regarding a project to create a Webinar to reach out to lenders and statewide financial partners in early February to increase awareness of the SSBCI 2.0 Program.

Ms. Tobias-Daniel stated that CPCFA staff are meeting with a number of financial partners (including Los Angeles Metro and the San Francisco Federal Reserve Bank) to develop strategies for the efficient deployment of SSBCI funds.

Ms. Tobias-Daniel also spoke about the CalCAP team's recent meeting with representatives from SoCal Edison to discuss a new loan loss reserve program for heavy duty electric vehicles, which includes trucks and buses.

The California Capital Access Program (CalCAP) welcomed a new lender to its ever-growing lender network:

- NCRC Community Development Fund, Inc. - Approved to participate in all CalCAP Programs, which include Small Business, Collateral Support Program, CARB, ADA, and Seismic Safety)

In a personnel update, Ms. Tobias-Daniel welcomed Amiana Godoy, Melissa Foster, and Huy Tran, new Analysts for the CalCAP program, to CPCFA staff.

Ms. Tobias-Daniel reported that she approved three items under her delegated authority:

- Mission Trail Waste Systems, Inc. - On November 22, 2022, she approved and signed amendments to the Indenture, Tax Certificate, and IRS form 8038 for an interest rate index change on the Series 2020 transaction.

- Sonoma County Resource Recovery, LLC – On November 29, 2022, she approved and signed amendments to the Indenture, Tax Certificate, and IRS form 8038 for an interest rate index change on the Series 2017 transaction.
- Bay Counties Waste Services, Inc. - On November 29, 2022, she approved and signed amendments to the Indenture, Tax Certificate, and IRS form 8038 for an interest rate index change on the Series 2021 transaction.

Ms. Tobias-Daniel concluded her Executive Director's report.

Treasurer Ma then asked a few clarifying questions regarding the SSBCI 2.0 Program to which Ms. Tobias-Daniel confirmed that the initial tranche of approximately \$178 million is ready for use, that CPCFA must expend the initial tranche within three years before the US Treasury will release the next tranche, and lastly confirmed that the SSBCI Webinar will be scheduled for early February 2023.

Treasurer Ma then asked if the board had any questions or comments concerning the Executive Director's report. Gayle Miller added her thanks and congratulations to CPCFA.

Treasurer Ma asked if there were any public comments. There were no public comments.

4. Business Items (Action Items)

A. Request to Approve a Supplemental Resolution to the Final Bond Resolution Authorizing the Issuance of Additional Taxable Water Furnishing Revenue Bonds for New Money Purposes and Approving Forms of Updated Bond Documents

Presented by: Solomita Malko, Analyst

Joined Remotely by: Bond Counsel, Erin Pham and Devin Brennan with Orrick, Herrington & Sutcliffe, LLC; Company representative Aaron Epstein with the abrdn group; Initial Purchasers Zachary Solomon with Morgan Stanley & Co. LLC; and Kevin O'Brien with BofA Securities, Inc.

Poseidon Resources (Channelside) LP, and/or its affiliates, requested the additional issuance of up to \$50,000,000 in taxable water furnishing revenue bonds for new money purposes and approval of updated bond documents. The bond proceeds will be used to finance the costs of the 2023 Project.

The project includes the acquisition, construction, improvement, and installation of the permanent intake modifications system of the existing desalination plant, a portion of the Wetlands Restoration Project, and other facilities functionally related

to the intake, outflow, production, and treatment of water by the Desalination Plant.

Staff recommended the approval of the supplemental resolution to the Final Resolution No. 22-01-616 for Poseidon Resources (Channelside) LP and/or its affiliates.

Mr. Sertich moved approval of the item; there was a second from Ms. Miller.

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

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Gayle Miller, for the Director of Finance	Aye
Tony Sertich, for the State Controller	Aye

B. Request to Approve a Fourth Amendment to an Interagency Agreement with the California Air Resources Board (“CARB”) Regarding the California Capital Access Loan Program Independent Contributor Program, Heavy-Duty Vehicle Air Quality Loan Program

Presented by: Doreen Smith, CalCAP Manager

The California Pollution Control Financing Authority (“CPCFA”) maintains an Interagency Agreement (“IA”) with the California Air Resources Board (“CARB”) under the California Capital Access Loan Program (“CalCAP”) to provide Independent Contributions to CPCFA in its role as administrator and operator of CARB’s Heavy-Duty Vehicle Air Quality Loan Program (“Program”).

CalCAP seeks approval for a fourth amendment to the IA, under CARB 18MSC004 (“CARB 18MSC004”), between CPCFA and CARB to increase the total amount of the agreement to \$130.88 Million. 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. The program started in 2009.

CPCFA has contributed \$245.57 million in CARB funds towards 40,474 loans in the Program. There is approximately \$12.03 million available in the Program account to contribute to new loans. The proposed Amendment to CARB 18MSC004 is attached as Exhibit A.

Staff recommended the approval of Resolution No. 22-02-005 to authorize the Executive Director or Deputy Executive Director to execute Amendment 4 to Interagency Agreement CARB 18MSC004 to increase the total amount of the agreement to \$130.88 Million.

Mr. Sertich moved approval of the item; there was a second from Ms. Miller.

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

The item was passed by the following vote.

Fiona Ma, CPA, State Treasurer	Aye
Gayle Miller, for the Director of Finance	Aye
Tony Sertich, for the State Controller	Aye

5. **Public Comment**

Treasurer Ma asked if there were any comments from the public on matters that were not on the agenda. There were none

6. **Adjournment**

There being no further business, public comments, or concerns, the meeting adjourned at 11:04 a.m.

Respectfully submitted,

Shela Tobias-Daniel
Executive Director