

MINUTES

**California Pollution Control Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
July 21, 2015**

1. CALL TO ORDER & ROLL CALL

Alan Gordon, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:51 a.m.

Mr. Alan Gordon announced a new call in number to enable the public to participate in the Board Meeting. The number and instructions were provided on the agenda and will be available for all future Board Meetings.

Members Present: Alan Gordon for John Chiang, State Treasurer
Anne Baker for Betty Yee, State Controller
Eraina Ortega for Michael Cohen, Director of Finance

Staff Present: Reneé Webster-Hawkins, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Mr. Alan Gordon asked if there were any questions or comments concerning the meeting minutes from the meeting held June 16, 2015. There were none.

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

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Webster-Hawkins started her report with an update on legislation. Assembly Bill 1393 (AB 1393), which would expand CPCFA's ability to offer the Loan Loss Reserve Program to support consumer loans, continued to move through the committees unopposed. It has cleared the Assembly and the Senate Governance committees and is scheduled to move to Senate Appropriations in mid-August. Ms. Webster-Hawkins reported about another new piece of legislation, Assembly Bill 1230 (AB 1230), which is an existing bill designed to assist small businesses desiring to make tenant improvements for disability access upgrades for

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Americans with Disabilities Act (ADA) compliance. The bill was previously formulated as a bond-funded program with direct loans to those businesses, but was recently revised with amendments which would instead appropriate the funding to CPCFA to implement a new CalCAP Loan Loss Reserve Program in order to accomplish the same goals using private lender financing. It has gone through the Senate Governance Committee unopposed and is scheduled to be heard before Senate Appropriations on August 17, 2015.

Ms. Webster-Hawkins provided an update on the Electric Vehicle Charging Station Financing Program (EVCS) noting staff has been engaging stakeholders statewide in launching the CalCAP Electric Vehicle Charging Station Financing Assistance Program. Staff is scheduled for July 22, 2015 to present at the Statewide Plug In Electric Vehicle Collaborative Membership Meeting, to attract participation in the program. On August 6, 2015, a webinar will be co-hosted with the Regional Plug In Collaborative Network funded by the Energy Commission.

In personnel, CPCFA will be saying a heartfelt bon voyage to Jillian Franzoia and Melissa Calderon Smith. Their departures are for similar reasons as they follow their significant others who were offered career opportunities outside the Sacramento Region. We will miss both of them greatly, their public service, professional leadership and inclusive personalities. Ms. Webster-Hawkins welcomed Doreen Smith, the former Bond Manager, who recently accepted the CalCAP Manager position.

Ms. Webster-Hawkins reported one item under her delegated authority. It was a Bond transaction for Athens Services, which requested an advance on its 2014 note proceeds. On June 26, 2015, Ms. Webster-Hawkins approved that advance subject to bond document requirements.

4. BUSINESS ITEMS

A. REQUEST TO APPROVE INITIAL RESOLUTION REFLECTING OFFICIAL INTENT TO ISSUE REVENUE BONDS

Aemerge, LLC, Aemerge RedPak Services SC, LLC and/or its Affiliates

Presented by: Kris Luoma, Staff Services Analyst

Staff introduced Tony Cone of Westoff, Cone & Holmstedt

Aemerge, LLC, Aemerge RedPak Services SC, LLC requested approval of an Initial Resolution for an amount not to exceed \$22,475,000 to finance the acquisition of land, upgrades to the existing buildings and utilities, and to acquire ancillary support equipment and systems.

Staff recommended approval of Initial Resolution No. 15-01 for Aemerge, LLC RedPak Services SC, LLC, for an amount not to exceed \$22,475,000.

Mr. Alan Gordon asked if there were any questions or comments from the Board or public. There were none.

Ms. Eraina Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

B. REQUEST TO CONSENT TO AMENDMENTS TO BOND DOCUMENTS

Vanderham Family Trust-Koetsier & Son Dairy Project

Presented by: Deanna Hamelin, Associate Treasury Program Officer

Staff introduced Robert Feyer of Orrick, Herrington & Sutcliffe

On May 9, 2003, CPCFA issued Variable Rate Demand Solid Waste Revenue Bonds in the amount of \$2,000,000 for the Cornelius A. and Eleanor Jane Vanderham Family Trust as Borrower and Koetsier & Son Dairy (“K & S”) as Operator, a general partnership Project. Both the Borrower and K & S, were deemed a joint participating party for purposes of the CPCFA Act. Accordingly, CPCFA entered into a Loan Agreement with the Borrower and an Inducement Agreement with K & S.

Recently, K & S gave up their lease and operation of the dairy and transferred the dairy to a son and grandson of the Borrower, Luke and Dennis Vanderham, who took over the Operator Partnership and renamed it as L & J Vanderham Dairy (“L & J”). More recently, the family has decided to consolidate the ownership and operation of the dairy into L & J. In 2012, the dairy was deeded over to L & J and the lease was terminated. As a second step in the consolidation, the Borrower is in the process of assigning the Loan Agreement to L & J.

The Borrower requested CPCFA’s consent to waive a 30-day prior notice before such assignment is effective, and to allow the Borrower not to retain any obligations under the Loan Agreement. Finally, once L & J as owner and operator of the dairy is also the borrower under the Loan Agreement, there is no further need for the Inducement Agreement. As such, the parties requested CPCFA to consent to terminate the Inducement Agreement.

Staff recommended Board approval of the consents to the aforementioned actions and modifications of the bond documents for the L & J Vanderham Dairy Project.

Mr. Alan Gordon asked if there were any questions or comments from the Board or public. There were none.

Ms. Eraina Ortega moved approval of the item; there was a second.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye

5. PUBLIC COMMENT

Mr. Alan Gordon 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 11:01 a.m.

Respectfully submitted,

(Originally signed by)

Reneé Webster-Hawkins
Executive Director