

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Public Benefit Analysis Exempt Facility Project Pool January 23, 2008 Allocation

Exempt Facility Bonds are tax-exempt private activity bonds that are issued by state and local governmental agencies to finance primarily solid waste disposal and waste recycling facilities. The tax-exempt bonds provide facility owners with low cost financing in the form of lower interest rate than a conventional loan. The interest rate savings enable the project owners to maintain lower customer rates or minimize customer rate increases, while at the same time assisting the communities they serve to meet their mandated requirements to protect and enhance the environment. Exempt facility projects also benefit the communities by creating new jobs.

The California Debt Limit Allocation Committee (“Committee”) is responsible for administering California’s annual tax-exempt private activity bond program, known as “the annual State ceiling”. For calendar year 2008, California’s State ceiling is \$3.107 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as “Program Pools”, including the Exempt Facility Project Pool. For calendar year 2008, the Committee reserved \$430 million, or 13.8%, of the State ceiling for the Exempt Facility Project Pool. There are four categories that the Committee uses to prioritize its allocation to exempt facility projects: 1) First Tier Business¹ under Regulatory Mandate², 2) Non-first Tier Projects under Regulatory Mandate, 3) Businesses, other than First Tier Businesses, Under Regulatory Mandate, and 4) All other Applications for Exempt Facilities.

The Committee awarded a total of \$5,630,000 for exempt facilities on January 23, 2008. This represents 1.3% of the \$430 million Exempt Facility Project Pool and 0.18% of the 2008 \$3.107 billion State ceiling. The January 23, 2008 allocation was awarded to the California Pollution Control Financing Authority for one exempt facility project located in California. The project is a First Tier Project under Regulatory Mandate. The project is a solid waste disposal and/or recycling facility, which include the construction of new facility or the expansion of existing facility, and the purchase of more efficient and cleaner fuel burning equipment.

January 23, 2008 Allocation Benefit of Exempt Facility Program

Allocation Amount Round 1	First Tier Project Under Regulatory Mandate	First Tier Project Not Under Regulatory Mandate	Non-First Tier Project Under Regulatory Mandate	Non-First Tier Project Not Under Regulatory Mandate	Total Exempt Facility Projects
\$5,630,000	1	0	0	0	1

¹ “First Tier Business” means (1) a business that (a) is primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste, (b) is a privately-held or employee-owned entity whose ownership interests are not available to members of the public, and (c) has fewer than 3,000 employees (together with affiliates), based on the average employees per pay period during the most recent twelve (12) months before submittal of an Application; or (2) a business which is not primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste that is classified as a small business under regulations of the California Pollution Control Financing Authority (CPCFA) (Title 4, California Code of Regulations, Sections 8001-8083).

² “Regulatory Mandate” means a local, state or federal government mandate such as the California Public Resources Code, Section 40000 et seq. (“AB 939”), a local public health department notice and order, a Regional Water Quality Control Board issued cease and desist order, or similar directive.

**January 23, 2008 Allocation
Public Benefit Analysis**

First Tier Project Under Regulatory Mandate	Allocation Amount	Description of Project and Benefits
Amador Valley Industries, LLC and Pleasanton Garbage Service, Inc.	\$5,630,000	According to the application, the Project Sponsor will purchase new vehicles. In addition, Pleasanton (Site B) will add a new sort screen and renovate its sort line; and Amador (Site A) will acquire new drop boxes, bins and carts.