

## MINUTES

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**California Pollution Control Financing Authority  
901 P Street, Room 102  
Sacramento, California  
May 21, 2024**

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

### **1. Call to Order & Roll Call**

Khaim Morton, Deputy Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 11:12 a.m.

Members Present: Khaim Morton for Fiona Ma, CPA, State Treasurer  
David Oppenheim for Malia M. Cohen, State Controller  
Michele Perrault for Joe Stephenshaw, Director of Finance

Staff Present: Christina Sarron, Deputy Executive Director  
Ted Ballmer, Senior Attorney  
Doreen Smith, CalCAP Section Manager  
Deanna Hamelin (remotely), Bonds and Grants Section Manager  
Lauren Dominguez, (remotely) SSBCI Program Manager  
Solomita Malko, (remotely) Bond Program Manager  
Morgan Matz, Staff Services Analyst  
Melissa Foster, Associate Governmental Program Analyst  
Ryan Dannewitz, Staff Services Analyst  
JoOnna Trushkov (remotely), Staff Services Analyst  
Theodore Hoffman, Office Technician  
Jill Hess, Executive Assistant

Quorum: The Chairperson declared a quorum

### **2. Minutes (Action Item)**

Deputy Treasurer Morton asked the Board members if there were any questions or comments concerning the meeting minutes from the April 16, 2024, board meeting. There were none.

Deputy Treasurer Morton asked if there were any public comments. There were none.

Ms. Perrault moved approval of the minutes; Mr. Oppenheim provided the second.

The minutes were approved.

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton for the State Treasurer	Aye

**3. Executive Director’s Report (Information Item)  
Presented by Christina Sarron, Deputy Executive Director**

Ms. Sarron presented the report on behalf of Executive Director Shela Tobias-Daniel, who was attending a Federal Deposit Insurance Corporation (FDIC) outreach event in Santa Maria for the State Small Business Credit Initiative (SSBCI).

Ms. Sarron stated that onboarding started for Jill Hess, Ms. Tobias-Daniel’s new Executive Assistant, on May 1, 2024. She noted that this position had been vacant since November, so CPCFA is very excited to have this position filled.

Ms. Sarron then spoke about the Bond Program, noting the Board approved the Final Resolution (FR) for MarBorg Industries at the April board meeting, and it received California Debt Limit Allocation Committee (CDLAC) allocation on May 15, 2024. MarBorg is anticipated to close tomorrow, May 22, 2024. She also mentioned the SB 99 Audit for Fiscal Year 2022-2023 is due to the Controller’s Office on June 30, 2024. She stated CPCFA staff is working with the auditor, Richardson & Company, to get this completed.

Ms. Sarron moved on to the California Investment & Innovation Program (Cal IIP), mentioning staff hosted an awardee workshop on May 8, 2024, to go over reporting requirements. She noted these workshops will occur every quarter.

Ms. Sarron then spoke about the California Capital Access Programs (CalCAP), first mentioning CalCAP’s application to the US Treasury (UST) to modify and allow CPCFA to implement a Loan Participation Program. The application is in the final review committee stage, and there were no further questions on the application.

Ms. Sarron then talked about the status of the second tranche for the SSBCI program, noting current projections show Team California expending the required 80% of the first tranche in June. At the end of the March 2024 quarterly reporting period Team California was approximately \$38.4 million away from meeting the 80% requirement. It is expected to take approximately two months to receive the second tranche once the 80% is reached and the request is submitted to the UST.

Ms. Sarron then moved on to CalCAP’s Zero-Emission Lender Webinar, stating that it was held on May 1, 2024, and the content presented lenders with an overview of the California Air Resources Board, California Energy Commission, and Southern California Edison funded Zero-Emission (ZE) programs. It was attended by approximately 130 participants, including the targeted lenders and many small

businesses. The webinar had a promising turnout, with much interest in the ZE programs.

Ms. Sarron then spoke about CPCFA Outreach, mentioning that, since the previous board meeting, Outreach staff attended and/or presented at the Small Business Event for Senate District 14 hosted by Sen. Anna Caballero, the Sustainable Facilities Forum on behalf of the Bond and new zero-emission programs, and the California Financial Inclusion Forum hosted by the FDIC, the Office of the Comptroller of the Currency, and the Federal Reserve Bank.

On May 16, 2024, Ms. Sarron, Ms. Tobias-Daniel, and Bonds and Grants Section Manager, Deanna Hamelin, attended the California Water Association's Spring Policy Symposium. Ms. Tobias -Daniel, CPCFA's Outreach Manager, SSBCI Program Manager, and an analyst are attending a FDIC outreach event May 20-21, 2024, in Santa Maria for SSBCI. Additionally, she mentioned that staff presented information on the SSBCI Programs in a webinar for the Technical Assistance (TA) providers receiving SSBCI TA grant funds.

Ms. Sarron moved on to the Greenhouse Gas Reduction Funds (GGRF), noting there are three awards available as part of the GGRF to be disbursed by the Federal EPA, the Clean Communities Investment Accelerator (CCIA), the National Climate Investment Fund (NCIF), and Solar for All. All three funds have an "awarded intermediary", but it is understood that in California, some amalgamation of IBank, CAEATFA, and/or CPCFA, has been named as a sub-awardee for all three awards. CPCFA is partnering with CAEATFA to apply for funds from CCIA through the awarded intermediary Justice Climate Fund (JCF). The funds will flow from JCF to CAEATFA and CPCFA. CPCFA plans to use these funds for a co-lending/co-funding Loan Participation for Community Development Financial Institutions (CDFIs) active in the decarbonization space. As for the NCIF, CPCFA is partnering with I-Bank to apply for funds through the awarded intermediary Coalition Green Capital (CGC). The funds will flow from CGC to IBank who will make disbursements. CPCFA will use awarded funds to support its Zero-Emission programs, with the intent of matching Federal dollars to state funds. Ms. Sarron noted CPCFA is NOT applying for funds through the Solar for All. She stated CPCFA will continue to attend all related meetings and webinars to monitor developments related to timing and details of the awards.

Ms. Sarron stated since the last Board Meeting in April, Ms. Tobias-Daniel took two actions under her delegated authority.

1. On April 25, 2024, she approved a post-Issuance request for CR&R Incorporated. CR&R requested to amend the Supplemental Indenture and Tax Certificate.
2. On May 1, 2024, she approved an Amendment to an Initial Resolution for Central Valley RNG LLC to add additional project addresses and increase the amount to \$320 million due to a rise in construction and labor costs.

This concluded Ms. Sarron's Executive Director's report.

**4. Business Items (Action Items)**

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**A. Request to Approve an Interagency Agreement with the State Treasurer’s Office for Support Provided by the State Treasurer’s Executive Office, Administration Division, and Information Technology Division Resolution**

**Presented by:** Melissa Foster, Associate Governmental Program Analyst

Resolution No. 24-04-001 requested approval of Agreement No. CPCFA04-23 for STO support services provided to CPCFA’s existing and expanding programs from July 1, 2023, through June 30, 2024, in the amount of \$488,425.

The California Pollution Control Financing Authority (CPCFA) enters into an Interagency Agreement (IA) annually with the State Treasurer’s Office (STO) for support services performed by staff within the STO. This item requests authorization to execute an IA in the amount of \$488,425 for STO support services provided during Fiscal Year 2023/2024.

The STOs Executive Office, Administration, and Information Technology Divisions provide support services including budgeting, personnel, accounting, legal, information technology, information security, policy and legal direction and guidance, reporting, and other administrative support services for the Boards, Commissions, and Authorities (BCAs) chaired by the State Treasurer.

Staff recommended the approval of Resolution Number 23-04-001 authorizing the Executive Director to execute Interagency Agreement No. CPCFA04-23 with the State Treasurer’s Office for Fiscal Year 2023/2024 in an amount not to exceed \$488,425.

Deputy Treasurer Morton asked if any of the representatives wanted to make any comments on behalf of the Item. There were none.

Deputy Treasurer Morton then asked if any of the board members would like to make any comments on behalf of the Item. There were none.

Deputy Treasurer Morton then asked if there were any public comments. There were none.

Mr. Oppenheim moved approval of the item; there was a second from Ms. Perrault.

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton, for the State Treasurer	Aye

**B. Request for Approval of Contracts for Legal Services for the California Pollution Control Financing Authority in Connection with the Bond Program**

**Presented by:** Morgan Matz, Staff Services Analyst

The California Pollution Control Financing Authority (CPCFA) requested authorization to execute contracts with three firms: Law Offices of Leslie M. Lava, Orrick, Herrington & Sutcliffe LLP, and Nixon Peabody LLP in an amount not to exceed \$166,666 for each firm, totaling \$499,998 for a term beginning June 1, 2024, through February 28, 2027.

Currently, CPCFA does not have any contracts for outside legal counsel in connection with the Bond program. Establishing contracts with outside legal counsel will allow CPCFA to continue business without disruption in the event the Attorney General's Office (AGO) is unable to provide needed services. CPCFA received written approval from AGO on January 31, 2024, to contract for outside legal services in connection with the Bond program on an as-needed basis through February 28, 2027. The last contract for legal services held by CPCFA expired on May 31, 2021.

Previously, due to staffing shortages within the Attorney General's Office (AGO), CPCFA received approval to create a list of outside firms, known as the Issuer's Counsel Pool, that could potentially provide legal services when AGO was unable to do so. On March 8, 2024, CPCFA released a Request for Information (RFI) to all members of the Issuer's Counsel Pool seeking to establish agreements with three firms to provide legal assistance when needed. CPCFA received five total proposals and selected the three most qualified firms based on the respective firms' bond financing experience, personnel experience, and other requirements set forth in the RFI.

Staff recommended the Board's approval of Resolution No. 24-04-002 to execute contracts with the Law Offices of Leslie M. Lava; Orrick, Herrington & Sutcliffe; and Nixon Peabody to provide legal services on an as-needed basis for the duration of contracts beginning June 1, 2024, and ending February 28, 2027. The maximum dollar amount of each contract will be \$166,666.00, for a total contracted amount of \$499,998.00.

Deputy Treasurer Morton asked if there were any comments from the public. There were none.

Deputy Treasurer Morton then asked if there were any other questions or comments from the Board. There were none.

Ms. Perrault moved approval of the item; there was a second from Mr. Oppenheim.

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton, for the State Treasurer	Aye

5. **Public Comment**

Deputy Treasurer Morton 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 11:32 a.m.

Respectfully submitted,



Shela Tobias-Daniel, Executive Director