

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
BOND FINANCING PROGRAM  
Approval Date: March 4, 2025**

***Request to Approve Initial Resolution Reflecting Official  
Intent to Issue Revenue Notes***

Prepared by: Yoerina Handojo

<b>Applicant:</b>	Arakelian Enterprises, Inc. d.b.a. Athens Services and/or its affiliates
<b>Project Location:</b>	Cities of Irwindale, City of Industry, Los Angeles, Torrance, Pacoima, Sun Valley, Victorville, Thousand Oaks, Paramount, and Riverside (Los Angeles, San Bernardino, Ventura, and Riverside Counties)
<b>Amount Requested:</b>	\$75,000,000
<b>Application No.:</b>	972
<b>Initial Resolution No.:</b>	25-01

**Summary:** Arakelian Enterprises, Inc. d.b.a. Athens Services and/or its affiliates (the “Company”) requests approval of an Initial Resolution (IR) for an amount not to exceed \$75,000,000 in tax-exempt notes. The note proceeds will be used to purchase various types of refuse collection trucks, tractors, new waste processing equipment such as yellow iron, containers, barrels, Materials Recovery Facility (MRF) processing equipment, building materials, and building improvements (the “Project”).

**Borrower:** The Company is a local, family-owned waste collection and recycling corporation servicing the greater Los Angeles community. It was founded in California in 1991.

The principal stockholders of the Company are as follows:

<b>Ron Arakelian Jr.</b>	32.00%
<b>Michael Arakelian</b>	50.00%
<b>Ron Arakelian III</b>	8.00%
<b>Adam Arakelian</b>	8.00%
<b>Remaining under 3%</b>	<u>2.00%</u>
<b>Total</b>	<b><u>100.00%</u></b>

**Legal Status Questionnaire:** Staff has reviewed the Borrower’s responses to the questions contained in the Legal Status Questionnaire (Attachment A) portion of the application. The Borrower stated that it had nothing to disclose regarding any legal, regulatory, or investigative action that would materially impact the financial viability of the intended projects or applicant or that involved fraud, corruption, or health and safety issues. Staff also conducted an online search and found a recent conciliation agreement between the Office of Federal Contract Compliance Programs of the U.S. Department of

Labor and the Company to resolve alleged hiring discrimination against female job applicants. State Treasurer's Office attorney, Theodore Ballmer, reviewed the lawsuit and saw no cause for concern. Staff found no other items of note.

**Project Description:** The note proceeds will be used to purchase various types of refuse collection trucks, tractors, new waste processing equipment such as yellow iron, containers, barrels, MRF processing equipment, building materials, and building improvements.

**Volume Cap Allocation:** The Company anticipates applying via CPCFA to the California Debt Limit Allocation Committee for a volume cap allocation in the second quarter of 2025.

**Financing Details:** The Company anticipates the issuance of negotiated tax-exempt notes, in a direct bank purchase structure, completed at the end of the second quarter of 2025.

**Financing Team:**

<b>Note Counsel:</b>	Orrick, Herrington, & Sutcliffe
<b>Issuer's Counsel:</b>	Office of the Attorney General
<b>Municipal Advisor to Borrower:</b>	Piper Sandler & Co.

**Staff Recommendation:** Staff recommends approval of Initial Resolution 25-01 for Arakelian Enterprises, Inc. d.b.a. Athens Services and/or its affiliates for an amount not to exceed \$75,000,000. Pursuant to CPCFA Resolution 25-01-001, Resolution of the California Pollution Control Financing Authority Delegating Certain Powers and Authorizing Certain Actions Related to Bond Financings, an initial resolution may be approved by the CPCFA Executive Director and then reported to the CPCFA Board at the next meeting.

*Note: An Initial Resolution approval is not a commitment that the California Pollution Control Financing Authority will approve a Final Resolution and bond financing of the proposed Project.*

*Any information related to the borrower, including any data or analysis related to the borrower's financial condition or ability to repay the financing, described in this staff report is based on information provided by the borrower and was prepared solely for members of the California Pollution Control Financing Authority and to satisfy certain provisions of Health and Safety Code section 44500 et seq. Prospective investors should not rely on information in this staff report and must read the entire offering document, if applicable, to obtain information essential to the making of an informed investment decision.*

**RESOLUTION OF OFFICIAL INTENT TO ISSUE BONDS OR NOTES TO  
FINANCE SOLID WASTE DISPOSAL FACILITIES FOR  
ARAKELIAN ENTERPRISES, INC. D.B.A. ATHENS SERVICES AND/OR ITS  
AFFILIATES**

**March 4, 2025**

**WHEREAS**, the California Pollution Control Financing Authority (“Authority”), a public instrumentality of the State of California (the “State”), is authorized and empowered by the provisions of the California Pollution Control Financing Authority Act (Division 27 (commencing with Section 44500) of the Health and Safety Code) (“Act”) to issue bonds, notes, or other obligations for the purpose of defraying the cost of facilities and equipment for the disposal of waste products, to prevent, reduce, or eliminate environmental pollution, remediate contamination, enable alternative and renewable sources of energy, and encourage beneficial reuse; and

**WHEREAS**, Arakelian Enterprises, Inc. d.b.a. Athens Services, a California corporation (the “Applicant”), and/or its affiliates (collectively, the “Company”) has submitted an application (the “Application”) requesting that the Authority assist in the financing or refinancing of the construction of facilities and purchase of equipment for collection, processing, recycling, transportation, and disposal of solid waste, as more fully described in the Application (collectively, the “Project”) to be owned and operated by the Company, and have presented an estimate of the maximum cost of such Project as shown in Exhibit “A” attached hereto; and

**WHEREAS**, the Authority desires to encourage the Company to provide solid waste disposal and resource recovery facilities and equipment that will serve the public of the State; and

**WHEREAS**, the Company requires satisfactory assurances from the Authority that the proceeds of the sale of bonds or notes of the Authority will be made available to finance the Project; and

**WHEREAS**, the Company expects to incur or pay from its own funds certain expenditures in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

**WHEREAS**, subject to meeting all the conditions set forth in this resolution the Authority reasonably expects that bonds or notes in an amount not expected to exceed \$75,000,000 will be issued and that certain of the proceeds of such bonds or notes will be used to reimburse the Company for its prior expenditures associated with the Project; and

**WHEREAS**, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with the proceeds of a subsequent borrowing;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority as follows:

**Section 1.** The Authority finds and determines that the foregoing recitals are true and correct. For purposes of this Resolution, an “Affiliate” of the Applicant means any person or entity that meets the definition of “participating party” in the Act and controls, is controlled by, or is under common control with, the Applicant, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise.

**Section 2.** The Authority declares its official intent to issue, at one time or from time to time, an aggregate of up to \$75,000,000 principal amount of bonds or notes of the Authority for the Project; including for the purpose of reimbursing to the Company costs incurred for the Project prior to the issuance of the bonds or notes.

**Section 3.** The bonds or notes shall be payable solely from the revenues to be received by the Authority pursuant to a loan agreement or other agreements to be entered into between the Authority and the Company in connection with the Project. Each bond or note, consistent with the Act, shall contain a statement to the following effect:

"Neither the faith and credit nor the taxing power of the State of California or any political subdivision thereof or of any local agency is pledged to the payment of the principal of, premium, if any, or any interest on this [bond][note]."

**Section 4.** The bonds or notes shall be issued subject to the conditions that (i) the Authority and the Company shall have first agreed to mutually acceptable terms for the bonds or notes and of the sale and delivery thereof, and mutually acceptable terms and conditions of the loan of the proceeds thereof to the Company; (ii) all requisite governmental approvals shall have first been obtained; (iii) a Final Resolution shall have been received from the Authority; and (iv) to the extent required, an allocation shall have been received from the California Debt Limit Allocation Committee for any portion of the bonds or notes which are to be sold as exempt from federal income tax.

**Section 5.** The Executive Director of the Authority is hereby authorized to indicate the willingness of the Authority to proceed with and effect such financing in order to assist the Company by defraying the cost of the Project, subject to due compliance with all requirements of the law and the obtaining of all necessary consents and approvals and to meeting all other requirements of the Authority.

**Section 6.** It is intended that this Resolution shall constitute “some other similar official action” towards the issuance of bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations and “official intent” within the meaning of Section 1.150-2 of the Treasury Regulations, each as applicable under Section 103 of the

Internal Revenue Code of 1986, as amended. It is also intended that this statement of “official action” or “official intent” by the Authority shall continue in full force and effect even if this Resolution ceases to be effective for other purposes.

**Section 7.** This Resolution shall take effect immediately upon its approval and remain in full force and effect thereafter; provided that, subject to Section 6, this Initial Resolution shall cease to be effective three years after the approval date unless prior to such date the Authority or its Executive Director specifically adopts a further resolution extending the effective date of this Initial Resolution. The Authority will consider such extension only after receiving a specific request for such action from the Company, accompanied by an explanation of the status of the Project and any additional information requested by the Authority to supplement the Company’s application.

**EXHIBIT A**

**NUMBER:** 25-01

**LOCATIONS:** 14048 Valley Blvd., City of Industry, CA 91746  
2200 Arrow Highway, Irwindale, CA 91706  
15019 & 15045 Salt Lake Avenue, City of Industry, CA 91746  
5355 North Vincent Avenue, Irwindale, CA 91706  
11121 Pendleton Street, Los Angeles, CA 91352  
1301 W. 228<sup>th</sup> Street, Torrance, CA 90501  
12303 & 12355 Montague Street, Pacoima, CA 91331  
9147 De Garmo, Sun Valley, CA 91352  
20055 Shay Road, Victorville, CA 92394  
2550 Conejo Center Drive, Thousand Oaks, CA 91320  
7202 Peterson Lane, Paramount, CA 90723  
687 Iowa Avenue, Riverside, CA 92507

**TYPE:** Solid Waste Disposal

**AMOUNT:** Up to \$75,000,000