

455

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Economic Development Agency

SUBMITTAL DATE:
October 5, 2007

SUBJECT: Public Hearing - Bond Issuance by California Municipal Finance Authority for Waste Management, Inc.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct a public hearing; and
2. Adopt Resolution Number 2007-447 approving the issuance of revenue bonds, notes or other debt (the "Bonds") by the California Municipal Finance Authority (the "Authority"), not to exceed \$225,000,000, for the benefit of Waste Management, Inc. or its affiliates (the "Borrower").

BACKGROUND: On October 16, 2007, the Board of Supervisors approved a Joint Exercise of Powers Agreement (the "Agreement") and, thereby, joined the Authority. The Authority is authorized to assist in the financing and refinancing of facilities. Pursuant to Section 147(f) of the Internal Revenue Code of 1986, the member agencies must conduct a public hearing and approve the Authority's issuance of debt for projects located in the member agency's jurisdiction.

(Continued on Page 2)

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Robin Zimpfer
Robin Zimpfer
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
BY: *Jennifer L. Sargent*
County Executive Office Signature

Policy Policy

Consent Consent

Dept's Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: **District:** 1 & 5 **Agenda Number:**

9.6

FORM APPROVED COUNTY COUNSEL
BY: *KATHERINE A. LIND* 10/11/07
DATE
Departmental Concurrence

BACKGROUND (continued):

It is proposed that the Authority issue bonds to fund improvements to existing landfills and collection and transfer facilities. The bond proceeds will be used for improvements and modifications to the leachate (toxic water) collection and methane gas systems. Proceeds will also be used to fund the acquisition of equipment and assets necessary to support these improvements. A portion of the bond proceeds, in an amount not to exceed \$53,100,000 is intended to finance facilities located within Riverside County. The facilities are located at 800 South Temescal Street, and 10910 Dawson Canyon in the Community of Temescal Canyon, and 17700 Indian Street in the City of Moreno Valley.

Conduit revenue bonds are a special, limited obligation of the Authority payable solely through the Borrower's repayment of a loan from the Authority which repayment is used to pay the principal and interest on the bonds. As such, any bonds issued by the Authority will not be a direct obligation of the County or any member of the Authority. Neither the faith or credit, nor the taxing power of the County, any member of the Authority, the State or any political subdivision is pledged to the repayment of the Bonds.

It is recommended that the Board of Supervisors conduct a public hearing and adopt Resolution Number 2007-447 approving the issuance of the Bonds by the Authority.

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3 RESOLUTION NO. 2007- 447

4 APPROVING THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY'S
5 ISSUANCE OF BONDS IN AN AGGREGATE PRINCIPAL AMOUNT
6 NOT TO EXCEED \$225,000,000 FOR THE BENEFIT OF WASTE
7 MANAGEMENT INC. AND/OR A RELATED ENTITY FOR THE PURPOSE OF
8 FINANCING OR REFINANCING THE COST OF IMPROVEMENTS TO EXISTING
9 LANDFILL AND, COLLECTION AND TRANSFER STATION FACILITIES,
10 PROVIDING THE TERMS AND CONDITIONS FOR SUCH BONDS AND OTHER
11 MATTERS RELATING THERETO HEREIN SPECIFIED

12 WHEREAS, Waste Management Inc. (the Borrower) requested that the California Municipal
13 Finance Authority (the Authority) serve as the municipal issuer of bonds in an aggregate principal amount
14 not to exceed \$225,000,000 of tax-exempt revenue bonds (the Bonds); and

15 WHEREAS, proceeds from the issuance of the Bonds will be applied toward the financing of
16 certain costs consisting of, but not limited to, improvements to (a) existing landfill facilities, including
17 (i) construction of new disposal cells and liners within currently permitted acreage, (ii) additions and
18 improvements to the leachate collection and treatment system, including leachate trenching, (iii) additions
19 and improvements to the methane gas systems, (iv) installation of new liners for intermittent and final
20 closure of completed sections of the landfill facilities, (v) site improvements, (vi) acquisition of
21 equipment to be used at the landfill facilities, and (vii) acquisition of other equipment and assets
22 necessary to support the foregoing improvements and to place them into service and (b) existing
23 collection and transfer station facilities, including (i) acquisition of solid waste disposal trucks and
24 support vehicles, (ii) acquisition of solid waste disposal containers and related equipment, (iii) acquisition
25 of solid waste sorting and processing equipment, (iv) site improvements, and (v) acquisition of other
26 equipment and assets necessary to support the foregoing improvements and place them into service; and

27 WHEREAS, a portion of such bond proceeds, in an amount not expected to exceed \$53,100,000
28 is intended to finance facilities in Riverside County, which are located at 800 South Temescal Street and
10910 Dawson Canyon in the Community of Temescal Canyon and 17700 Indian Street, City of Moreno
Valley; and

1 **WHEREAS**, the Bonds will be part of a plan of finance, which may occur over a period of
2 multiple years; and

3 **WHEREAS**, the issuance of the Bonds by the Authority must be approved by the governmental unit
4 on behalf of which the Bonds are issued and a governmental unit having jurisdiction over the territorial
5 limits in which the Facilities are located pursuant to the public approval requirement of Section 147(f) of the
6 Internal Revenue Code of 1986, as amended (the "Code"); and

7 **WHEREAS**, the Facilities are located within the territorial limits of the County of Riverside (the
8 "County") and the Board of Supervisors of the County (the "Board of Supervisors") is the elected legislative
9 body of the County; and

10 **WHEREAS**, the Authority and the Borrower have requested that the Board of Supervisors approve
11 the issuance of the Bonds by the Authority and the financing of the project with the proceeds of the Bonds
12 pursuant to Section 147(f) of the Code; and

13 **WHEREAS**, it is intended that this Resolution shall comply with the public approval requirements
14 of Section 147(f) of the Code; *provided, however*, that this Resolution is neither intended to nor shall it
15 constitute an approval by the Board of Supervisors of the Project for any other purpose; and

16 **WHEREAS**, a public hearing was held by the Board of Supervisors on this 16th day of October,
17 2007, at the meeting which commenced at the hour of 9:30 a.m., in the Board Chambers at 4080 Lemon
18 Street in Riverside, California 92501, following duly published notice thereof in a newspaper of general
19 circulation in the County of Riverside, on October 2, 2007, and all persons desiring to be heard have been
20 heard.

21 **NOW, THEREFORE, BE IT RESOLVED**, that the Riverside County Board of Supervisors,
22 hereby finds, determines and declares as follows:

23 **Section 1.** The Board of Supervisors hereby approves the issuance of the Bonds, which Bonds may
24 be tax-exempt or taxable as approved by the Authority in its resolution, in an amount not to exceed
25 \$225,000,000 to finance the costs of the project. This resolution shall constitute "host" approval of the
26 issuance of the Bonds within the meaning of Section 147(f) of the Code and shall constitute the approval
27 of the issuance of the Bonds within the meaning of the Act; *provided, however*, that this Resolution shall
28 not constitute an approval by the Board of Supervisors of the project for any other purposes, including

1 compliance thereof with CEQA, nor does it constitute an approval of the underlying credit or financial
2 structure of the Bonds.

3 **Section 2.** All actions heretofore taken by the officers, employees and agents of the County with
4 respect to the approval of the Bonds are hereby approved, confirmed and ratified, and the officers and
5 employees of the County and their authorized deputies and agents are hereby authorized and directed,
6 jointly and severally, to do any and all things and to execute and deliver any and all certificates and
7 documents which they or bond counsel may deem necessary or advisable in order to consummate the
8 issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

9 **Section 3.** This resolution shall take effect immediately after its adoption.
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FORM APPROVED COUNTY COUNSEL
BY: Katherine A. Lind 10/11/07
KATHERINE A. LIND DATE

THE PRESS-ENTERPRISE

3512 Fourteenth Street
Riverside CA 92501-3878
951-684-1200
951-368-9018 FAX

PROOF OF PUBLICATION
(2010, 2015.5 C.C.P.)

Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: PH - ISSUANCE OF REVENUE BONDS

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673 and under date of August 25, 1995, Case Number 267864; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

10-02-07

I Certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: Oct. 21 2007
At: Riverside, California

HAWKINS DELAFIELD & WOOD LLP
333 S GRAND AVE
36TH FLOOR
LOS ANGELES CA 90071

Ad #: 8836774

PO #:

Agency #:

Ad Copy:

NOTICE OF PUBLIC HEARING REGARDING ISSUANCE OF REVENUE BONDS

NOTICE IS HEREBY GIVEN that, at its regular meeting to be held at 9:00 a.m., or as soon thereafter as the matter can be heard, on Tuesday, October 16, 2007, in the Chambers of the Board of Supervisors of Riverside County, 4080 Lemon Street 1st Floor, Riverside, California 92501, the Board of Supervisors of the County of Riverside (the "County") will conduct a public hearing as required by Section 147(F) of the Internal Revenue Code of 1986, as amended (the "Code"), at which it will hear and consider information concerning the proposed issuance by the California Municipal Finance Authority of one or more series of revenue bonds in an aggregate principal amount not to exceed \$225,000,000 (the "Bonds"). The Bonds will be part of a plan of finance, which may occur over a period of multiple years.

A portion of such Bond proceeds, in an amount not expected to exceed \$67,100,000 is intended to finance the following projects (the "Project") in the County:

(a) improvements to existing collection (hauling) and transfer station facilities, including (i) acquisition of solid waste disposal trucks and support vehicles, (ii) acquisition of solid waste disposal containers and related equipment, (iii) acquisition of solid waste sorting and processing equipment, (iv) site improvements, and (v) acquisition of other equipment and assets necessary to support the foregoing improvements and place them into service.

(b) improvements to existing landfill facilities including (i) construction of new disposal cells and liners within currently permitted acreage, (ii) additions and improvements to the leachate collection and treatment system, including leachate trenching, (iii) additions and improvements to the methane gas systems, (iv) installation of new liners for intermittent and final closure of completed sections of the landfill facilities, (v) site improvements, (vi) acquisition of equipment to be used at the landfill facilities, and (vii) acquisition of other equipment and assets necessary to support the foregoing improvements and to place them in to service.

The above projects are to be located at the following locations in the County:

- (a) El Sobrante Landfill, 10910 Dawson Court, Corona (\$57,080,000);
- (b) Moreno Valley WMC, 17700 Indian Street, Moreno Valley (\$10,020,000).

All financed assets will be owned and/or operated by Waste Management, Inc. or an affiliate thereof (the "Company"). The vehicles and containers will be used to service the Company's customers throughout the Company's service territories in the County, and the containers will be located at the addresses of the Company's customers.

Those wishing to comment on the proposed financing and the nature and location of the Project may either appear in person at the public hearing or submit written comments. Written comments should be sent to County of Riverside, 4080 Lemon St., Riverside, California 92501, Attention: Nancy Romero, prior to 9:00 a.m., on Tuesday, October 16, 2007.

COUNTY OF RIVERSIDE