

*CIWMB Facility Compliance
Loan Program:
Fiscal Years 1999/2000—
2000/2001
Final Report to the Legislature*

Published June 2002



STATE OF CALIFORNIA

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Public Affairs Office, Publications Clearinghouse (MS-6)
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P.O. Box 4025
Sacramento, CA 95812-4025
www.ciwmb.ca.gov/Publications/
(800) CA WASTE (California only) or (916) 341-6306

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Background

The Budget Act of 1999 authorized \$1.44 million, and the 2000–01 Budget Bill provided an additional \$1.44 million, for interest-free loans to assist owners and/or operators of solid waste facilities with environmental compliance. The California Integrated Waste Management Board's (CIWMB) Facility Compliance Loan Program (FCLP) solicited loan applications from facility operators in the summer of 2000. The FCLP received 14 applications requesting a total of over \$5 million. The CIWMB awarded \$2.88 million to six applicants.

On January 25, 2000, the CIWMB approved the following eligibility criteria for the FCLP:

- a. Applicant must be the owner and/or operator of a permitted solid waste facility.
- b. Applicant must be able to demonstrate an existing or chronic environmental threat resulting in noncompliance at the facility.
- c. Priority will be given to small, publicly operated facilities that primarily service rural areas and that pose a tangible environmental threat.

The CIWMB also approved the following eligible cost centers in the priority shown:

- a. Design and construction of environmental monitoring and control systems to remedy landfill gas or water quality problems, odor problems, noise problems, dust problems, and other monitoring and control systems as determined by the CIWMB.
- b. Purchase of operating equipment to provide daily cover or to assist with litter and/or vector control at a facility.
- c. Construction of all-weather internal roads or pads to remedy chronic wet weather operating problems.
- d. Other uses as determined by the CIWMB.

At its April 18–19, 2000, meeting the CIWMB approved additional FCLP loan criteria.

Loan Awards

Applicants submitted loan applications and supporting documents, and CIWMB staff reviewed the applications for adequacy and eligibility. Applications that were substantially incomplete, were not associated with permitted facilities, or did not demonstrate a tangible environmental threat were disqualified. Staff analyzed the remaining applications and provided each with a score using the FCLP scoring criteria checklist, which was based upon the CIWMB's January 25, 2000, resolution.

Applicants were required to provide adequate documentation of financial need for assistance with compliance problems and demonstrate an ability to repay the loan. Each applicant was also required to demonstrate the ability to secure the loan by providing collateral and/or pledging a guaranteed revenue source.¹ In no case was the term of the loan longer than the economic or

¹ FCLP collateral requirements make it incumbent on loan applicants to provide collateral in the form of guaranteed revenue streams, business assets, equipment and fixtures, and/or non-residential real estate to secure their respective loans (See Attachment 3 for details).

depreciable life of the assets used as security. All projects were required to be completed within 24 months of funding. All applicants must repay the entire loan within 15 years of funding. Funds may not be used to refinance existing loans.

In October 2000, the FCLP review panel completed its analysis of the applications and provided scores using the CIWMB-approved FCLP scoring criteria checklist. CIWMB staff presented the applications to the loan committee for review on December 7, 2000. Based upon the FCLP scoring criteria results and the loan committee's recommendations, the CIWMB approved funding for specific projects at its December 12–13, 2000, and January 23, 2001, meetings. Table 1 contains information on borrowers and loan amounts.

Table 1: Award of Facility Compliance Loan Program Funds

| | Facility and Borrower | Requested Amount | Award Amount | Award Date |
|---------------------------|---|-------------------------|-----------------------|-------------------|
| 1 | Black Butte Landfill—Siskiyou County | \$500,000.00 | \$500,000.00 | 12/12/2000 |
| 2 | Tehama County/Red Bluff Sanitary Landfill—Tehama County | \$497,105.19 | \$497,105.19 | 12/12/2000 |
| 3 | Bridgeport Landfill—Mono County | \$500,000.00 | \$33,000.00 | 1/23/2001 |
| 4 | Glenn County Landfill—Glenn County | \$500,000.00 | \$500,000.00 | 1/23/2001 |
| 5 | City of Santa Cruz Sanitary Landfill—City of Santa Cruz | \$500,000.00 | \$500,000.00 | 1/23/2001 |
| 6 | Tehachapi Recycling Material Recovery Facility—Tehachapi Recycling, Inc. (Kern County) | \$496,494.08 | \$496,494.08 | 1/23/2001 |
| 7 | Coastal Material Recovery Facility and Transfer Station—Si-Nor, Inc. (Los Angeles County) | \$500,000.00 | \$353,400.73 | 1/23/2001 |
| Total Award Amount | | | \$2,880,000.00 | |

On May 21, 2001, although already awarded \$500,000 by the CIWMB, Glenn County notified CIWMB staff of its decision not to pursue a loan any further. At its June 19–20, 2001 meeting, the CIWMB divided the \$500,000 originally awarded to Glenn County between two borrowers who previously received only partial funding. The award was divided as indicated in Table 2.

Table 2: Division of Remaining \$500,000

| | Facility and Borrower | Original Award Amount | Supplemental Award Amount | Total Award Amount |
|--|---|------------------------------|----------------------------------|---------------------------|
| 1 | Bridgeport Landfill—Mono County | \$33,000.00 | \$467,000.00 | \$500,000.00 |
| 2 | Coastal Material Recovery Facility and Transfer Station—Si-Nor, Inc. (Los Angeles County) | \$353,400.73 | \$33,000.00 | \$383,400.73 |
| Total Supplemental Award Amount | | | \$500,000.00 | |

Table 3 contains descriptions of the projects for which loans were awarded.

Table 3: Facility Compliance Loan Program Projects

| | Facility and Borrower | Project |
|---|---|---|
| 1 | Black Butte Landfill—Siskiyou County | Moving an existing recycling center; preparing the subgrade and installing a foundation layer; installing 60-mil HDPE geosynthetic and protective drainage over a portion of the landfill; and constructing roads on the landfill cap to access the inert cell and surrounding monitoring wells. |
| 2 | Tehama County/Red Bluff Sanitary Landfill—Tehama County | Design, construction and installation of an "in-fill" gas extraction and collection system involving 32 acres and 15 wells. |
| 3 | Bridgeport Landfill—Mono County | Field investigations including a trenching program to determine the limits of existing waste placement; installation of groundwater monitoring wells and landfill gas monitoring systems; final closure cap; and preparation of final closure/postclosure maintenance plan. |
| 4 | City of Santa Cruz Sanitary Landfill—City of Santa Cruz | Purchase mudstone-processing equipment and process native mudstone for use as daily and intermediate cover. |
| 5 | Tehachapi Material Recovery Facility—Tehachapi Recycling, Inc. (Kern County) | Purchase materials and construct a 20,000-sq ft steel building over the existing outside process/tipping floor and trommel screen incline conveyor amenities. |
| 6 | Coastal Material Recovery Facility/Transfer Station—Si-Nor, Inc. (Los Angeles County) | Installation of a trailer pit along the side of an existing waste tipping floor; excavation and regrading of a portion of the site and installation of a ramp for trailer access; removal of an existing driveway and reconfiguration of access; removal of an existing truck scale, scalehouse, and ramps; relocation of an existing scale and scalehouse; installation of a new canopy; relocation of an existing trailer, and installation of parking. |

CIWMB staff will continue servicing each loan for 15 years after approval of the loan. All projects must be completed within two years of approval. Staff will visit each project site periodically until the project is completed.

Attachments to Facility Compliance Loan Program

Attachment 1: Facility Compliance Loan Program—Program Guidelines and Application for Businesses

Attachment 2: Facility Compliance Loan Program—Program Guidelines and Application for Local Governments

Attachment 3: Facility Compliance Loan Program Collateral

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STATE OF CALIFORNIA

FACILITY COMPLIANCE LOAN PROGRAM

**PROGRAM GUIDELINES AND APPLICATION
FOR
BUSINESSES**



**FY
1999/2000**

**INTEGRATED
WASTE
MANAGEMENT
BOARD**

**PROGRAM GUIDELINES FOR
LOANS TO ASSIST WITH SOLID WASTE FACILITY COMPLIANCE**

PRIVACY NOTICE

The information requested in this loan application will be used by the California Integrated Waste Management Board (Board) for the purpose of determining the eligibility and creditworthiness of the loan Applicant, and the Applicant's ability to secure and repay the loan. In the event of sale or securitization of loans, information will be reviewed by public rating agencies, prospective investors or purchasers, or their agents. Such review will be subject to a confidentiality agreement.

Portions of the information in the application may be transferred to members of the Board's Loan Committee and to other state agencies assisting the Board with administration and maintenance of this program, including but not limited to the Department of Economic Opportunities, the Office of the State Controller, the Department of General Services, the Department of Real Estate, the Trade and Commerce Agency and the California State Attorney General. Designated items provided in this application may also be entered into the Board's Business Intake Database which will be accessible to the public.

This notice is required by Section 1798.17 of the Information Practices Act of 1977 (California Civil Code Sections 1798 through 1798.78) and the Federal Privacy Act (5 USC 552a, subd. (e) (3) whenever an agency requests personal information from an individual.

The information that is requested in this application is mandatory for all applicants. Failure to provide the information may result in an Applicant not receiving a loan from the Board.

Applicants have the right to review their loan application files. The official responsible for maintenance of the loan application files is: Loan Administrator, Facility Compliance Loan Program, California Integrated Waste Management Board, 8800 Cal Center Drive, Mail Stop # 25, Sacramento, CA, 95826.

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LOAN APPLICATION SUBMITTAL CHECKLIST

- Loan Application for Businesses (see Exhibit A)
- Work Plan (see Exhibit B)
- Vicinity Map and Site Map
- Evidence for Substantiation of Threat to Public Health and Safety or to the Environment
- Environmental Compliance Documentation
- Business Financial Statements
- Tax Returns
- Owner's Personal Financial Statements (see Exhibit C)
- Credit Check Authorization Form (see Exhibit D)
- Owner's Personal Tax Returns
- Lease Purchase Agreement
- Detailed Cost Estimate (See Exhibit E)
- Financing Commitment Letters
- Present Debt Obligations (see Exhibit G)
- Articles of Incorporation, By-Laws, Partnership Agreements, etc.
- Business License and Fictitious Business Name Statement
- Certified Documentation Identifying Source(s) of Funds for Repayment of Loan and Cost Exceeding Loan Amount, if applicable

FACILITY COMPLIANCE LOAN PROGRAM PROGRAM GUIDELINES FOR PRIVATE BUSINESSES

1. Introduction

The Budget Act of 1999 authorized the California Integrated Waste Management Board (Board) to administer a loan program to assist owners and/or operators of solid waste facilities with environmental compliance. The Facility Compliance Loan Program (FCLP) provides \$1.44 million and the 2000-01 Budget Bill proposes an additional \$1.44 million in interest-free loans to improve environmental compliance at solid waste facilities in the State of California. This guide addresses procedures and instructions for obtaining FCLP loans.

2. Board Contact

For further information on the FCLP or additional copies of the application package, contact:

Bridget D. Brown, IWMS
Facilities Compliance Loan Program
Permitting and Enforcement Branch
California Integrated Waste Management Board
8800 Cal Center Drive, M.S. 25
Sacramento, CA 95826

E-mail: bbrown@ciwmb.ca.gov
Phone: (916) 255-4066
FAX: (916) 255-4071

3. Program

Applicants for the FCLP are limited to owners and operators of permitted solid waste facilities in the State of California with existing or chronic non-compliance at the facility. Priority will be given to small, publicly operated facilities that primarily service rural areas, and that pose a tangible environmental threat. **The maximum loan amount allowed under the Facility Compliance Loan Program is \$500,000 per borrower.** The interest rate for any FCLP loan shall be zero percent (0%). Applicants may receive only one FCLP loan from the current appropriation. The Board may approve loans greater than the maximum loan amount on an individual basis. Loans must be repaid within fifteen years. Applicants must provide adequate documentation of financial need for assistance with compliance problems, and demonstrate an ability to repay the loan as well as any that exceed the loan amount. Funds may not be used to refinance existing loans. All projects must be completed within 24 months of funding.

4. Eligibility Criteria

- a. Applicants must be the owner and/or operator (“facility operator”) of a permitted solid waste facility.
- b. Applicant must be able to demonstrate an existing or chronic non-compliance at the facility.
- c. Priority will be given to small, publicly operated facilities that primarily service rural areas, and that pose a tangible environmental threat.

5. Application Requirements

Each applicant must submit a loan application, together with the following:

- a. A detailed Work Plan (see Exhibit B). A Work Plan should be submitted for each site. Each Work Plan phase should be assigned a phase number, which will be used for reference on the Cost Estimate. The Work Plan should include the following information:
 - (1) A Project Description, including: site history, type and amount of waste, surrounding land use and distance, topography, accessibility as it pertains to the project;
 - (2) Mobilization/Start up Steps, including: obtaining permits, conducting CEQA; and
 - (3) A Scope of Work, including: a description of the steps necessary to remediate the nuisance or threat, etc.
- b. A detailed Cost Estimate (see Exhibit E). Cost of eligible and ineligible work items must be itemized separately. The "Primary Project" is the project with the highest cost.
- c. Evidence for substantiation of threat to public health and safety or the environment. Attach applicable regulatory agency investigations or enforcement orders, solid waste assessment test (SWAT) reports, or certified environmental assessment reports.
- d. Evidence of Compliance with the California Environmental Quality Act (CEQA) (e.g. Notice of Exemption, Initial Study/Negative Declaration, or Environmental Impact Report).
- e. Financial information:
 - (1) Demonstrate the need for the requested loan funds. Attach applicant's annual financial operating statements for the last three years and interim (within 90 days), independent audits, and/or other evidence of financial condition. Each statement must be certified by the original signature of the person(s) completing this application.
 - (2) Explain other methods of financing attempted and evidence of reasonable efforts made to raise funds for compliance (e.g. increasing tipping fees above State average, assessing parcel fees).
 - (3) Identify and provide evidence of a financial mechanism to repay the loan and pay for facility compliance costs that exceed the loan amount, certified by the original signature of the person completing this application. In lieu of collateral, the applicant must identify a guaranteed revenue source that will be dedicated to repay the loan.

NOTE: It shall be the responsibility of the applicant to immediately notify the Board of any change in financial conditions that would make the applicant: financially able to bring the facility into compliance without IWMA funds, unable to repay the loan, or unable to pay for facility compliance costs that exceed the loan amount. This notification shall be required both during the application process and after the Loan Agreement has been signed. Such conditions may negate eligibility for use of IWMA funds. Applications that are substantially incomplete will not be considered for funding.

6. Application Deadline

Applications must be postmarked by Monday, July 31, 2000. Hand-delivered applications must be in the Board's Sacramento offices by 4:00 p.m. on Monday, July 31, 2000.

7. Financial Standards

The source of funds for loans is the Integrated Waste Management Account (IWMA). The Board may approve loans from the IWMA for eligible facility compliance costs for prioritized facilities ranked high enough to be eligible for available funds. In prioritizing a facility, the Board will consider:

- a. The degree of risk to public health and safety and the environment posed by conditions at a facility,
- b. The ability of the facility owner/operator to bring the facility into compliance without monetary assistance,
- c. The ability to adequately solve the compliance problem at the facility with available funds, and
- d. Other factors as determined by the Board.

Applicants must fund all facility compliance costs that exceed the loan amount and provide evidence of a financial mechanism to repay the loan. Loans shall not exceed maximum amounts or program limitations established by the Board. Funds cannot be used for other improvements to the facility, nor for uses not identified in the loan agreement.

8. Eligible and Ineligible Costs

- a. Eligible costs for facility compliance assistance include, but are not limited to, the:
 - (1) Design and construction of environmental monitoring and control systems to remedy landfill gas or water quality problems; odor problems; noise problems; dust problems; and other monitoring and control systems as determined by the Board;
 - (2) Purchase of operating equipment to provide daily cover or to assist with litter and/or vector control at the facility;
 - (3) Construction of all-weather internal roads or pads to remedy chronic wet weather operating problems; or
 - (4) Other work deemed eligible by the Board.
- b. Ineligible costs for facility compliance assistance include, but are not limited to:
 - (1) Normal daily facility operations;
 - (2) Cleanup of hazardous wastes; and
 - (3) Other work deemed ineligible by the Board.

9. Application Review and Loan Agreement

- a. Board staff will review applications for adequacy and eligibility. Upon determination that applicant is eligible, the application is analyzed and the project priority determined using the Scoring Criteria. To the extent that funds are available, projects with the higher scores will be evaluated by the Board Loan Committee. Board staff will recommend to the Board specific projects for funding based upon scoring results and the Loan Committee's recommendations.
- b. The Board approves loans based upon facility priority, financial status of applicant, verification of guaranteed revenue sources for repayment of loan, and availability of funds. When approved, a Loan Agreement is prepared and sent to the applicant for signature and returned to Board staff. Authorized Board staff sign the Agreement and return a fully executed copy to the Borrower. If a loan cannot be executed within 60 days of Board approval, the applicant will be disqualified.

10. Management of Facility Compliance

The Borrower shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits in the procurement and management of consultant services and contracts related to correcting existing or possible non-compliance problems.

- a. Board staff and the local enforcement agency (LEA) may conduct field management reviews during the project to verify compliance with the approved plans and specifications and terms of the Loan Agreement.
- b. The LEA shall provide Board staff with quarterly reports describing the status of the project.
- c. The Borrower shall provide Board staff quarterly reports identifying all project expenditures.
- d. The Borrower shall maintain records in accordance with accepted government accounting standards, and shall include as a minimum:
 - (1) A special Facility Compliance Account for all project receipts and disbursements.
 - (2) Accurate and complete accounting of all project financial transactions.
 - (3) Supporting documents showing source of receipts and to whom payments were made.
 - (4) Control and accountability for all project funds, property, and other assets including assurance that all funds were solely for authorized purposes.
 - (5) Procedures to ensure prompt disbursements of accounts payable.
 - (6) Procedures to determine and segregate allowable costs.
 - (7) The Borrower shall allow the Board, the State Controller's Office, and the State Auditor General's Office, or their designated representatives, absolute right of access to all of Borrower's records pertaining to the Agreement, or any part thereof requested, shall be made available to the designated auditors upon request. Records shall be retained for at least three (3) years after expiration of the Agreement, or until completion of actions and resolution of all issues which may arise as a result of any litigation, claim, negotiation or audit, whichever is later.

11. Loan Servicing and Restrictions

- a. Loan funds shall be distributed at a rate determined by the Board. Disbursement will take place after the Loan Agreement has been fully executed and as specified in the Loan Agreement.
- b. Repayment:
 - (1) Loans shall be repayable over a maximum of fifteen years. Payments shall be made monthly or as otherwise determined by the Board and commence one full year from the date of the Loan Agreement in amounts as determined by the Board. Loan repayments shall be from a guaranteed revenue source approved by the Board.
 - (2) Repayment may be made, either in full or in part, in advance.
 - (3) The Board may require other collateral and/or covenants from Borrower to assure repayment of the loan.
- c. The Borrower shall establish a Facility Compliance Account into which all loan amounts received shall be deposited and disbursed. Expenditures from the Facility Compliance Account shall be made only for eligible project costs as defined in these guidelines or as otherwise approved by the Board. All funds remaining in the account after final payment of eligible facility compliance costs or

24 months from the date of funding, whichever comes first, shall be repaid to the Board at the next regularly scheduled payment.

- d. Any closure costs related to a FCLP loan will be paid by the Borrower, e.g., title insurance, recording fees.

12. Definitions

- a. **“Facility operator”** means the operating unit, and other person(s) who through a lease, franchise agreement or other arrangement with the owner of the property is granted the approval to operate a solid waste facility, disposal site, transfer or processing station, composting station, or solid waste handling system, or the owner of the property. (14 CCR 18011(a)(10)).
- b. **“Non-compliance”** means a facility that received a Notice of Violation or an Area of Concern for one or more State Minimum Standards. (Title 14, California Code of Regulations (14 CCR), Chapter 3).
- c. **“Permitted solid waste facility”** means any solid waste facility required to obtain a permit pursuant to PRC, Article 1 (commencing with Section 44001) of Chapter 3 of Part 4.
- d. **“Publicly operated facility”** means a facility in which the permitted operator or owner is one of the subdivisions of state government.
- e. **“Rural area”** means any town, village, city, or place that is not part of or associated with an urban area, and that:
 - (1) Is rural in character with a population of less than 10,000; or
 - (2) Is not contained within a Metropolitan Statistical Area (MSA) and has a population of less than 20,000.Population shall be determined according to the latest figures published by the California Department of Finance.
- f. **“Small”** means a facility that is operated by an entity that is not dominant in solid waste management, or is not a subsidiary of such an entity.
- g. **“Tangible environmental threat”** means a threat to the public health, safety or the environment as determined by the Local Solid Waste Enforcement Agency (LEA).

EXHIBIT A Loan Application for Businesses

Loan # _____

SECTION I. APPLICANT INFORMATION

| | | | |
|--|----------------|--|-----------------------------|
| Name of Business | | d.b.a. (if used) | |
| Street Address | City | State | Zip Code |
| Contact Name | Title | Phone | Fax |
| <input type="checkbox"/> Corporation Proprietorship | | <input type="checkbox"/> General Partnership | |
| | | <input type="checkbox"/> Limited Partnership | |
| | | <input type="checkbox"/> Sole | |
| Federal Tax I.D. No: | | Date Business Established: | Date when operations began: |
| Business Owner Name | Title | % of Ownership (must total 100%) | |
| | | | |
| Accountant Name | Street Address | City, State, Zip Code | Phone |
| | | | |
| Bank Name | Street Address | City, State, Zip Code | Phone |
| | | | |

SECTION II. CREDIT AND LEGAL INFORMATION

If the answer to any of the following questions is yes, attach a written explanation.

Has the applicant business ever declared bankruptcy? Yes No

If Yes: Chapter Filed: _____ Date Filed: _____ Case Number: _____

Present Status: Case Dismissed Debts Discharged Payment Plan Pending

Has the applicant business ever experienced foreclosures, repossession, debt judgement or criminal penalty within the last seven years? Yes No

Are there any legal actions (claims, lawsuits, etc.) pending against the applicant business? Yes No

Is the applicant business an endorser, guarantor or co-maker for obligations not listed on its financial statements? Yes No

If yes, list total contingent liability: _____

SECTION IV. PROJECT INFORMATION (continued)

PROJECT COST SUMMARY (*Attach Detailed Cost Estimate, Exhibit E*)

| | | |
|-----------|--|----------|
| A. | EQUIPMENT/MATERIALS COSTS | \$ _____ |
| B. | LABOR COSTS | \$ _____ |
| C. | TESTING COSTS | \$ _____ |
| D. | ENGINEERING SERVICES | \$ _____ |
| E. | OTHER | \$ _____ |
| F. | TOTAL ESTIMATED PROJECT (A + B + C + D + E) | \$ _____ |
| G. | REQUESTED LOAN AMOUNT (see Exhibit E) | \$ _____ |

SECTION V. FINANCIAL INFORMATION

STATEMENT OF NEED FOR REQUESTED FUNDS (*Attach financial statements, audits, etc., to substantiate need.*)

SOURCE(S) OF FUNDS FOR REPAYMENT OF LOAN AND COSTS EXCEEDING LOAN AMOUNT (*Attach certified documentation.*)

SECTION VI. APPLICATION AGREEMENT AND SIGNATURES

I/We certify that all information in this application and all information provided in support of this application is true and complete to the best of my/our knowledge and belief. I/we authorize the California Integrated Waste Management Board to obtain business credit reports and conduct any other inquiries deemed necessary to determine the creditworthiness of the applicant business. Each person signing below certified that he/she is signing on behalf of the applicant business in the capacity indicated next to the signer's name and such signer is authorized to execute this application on behalf of the applicant business.

I/We certify that the business is in compliance with all local, State and Federal laws, regulations, requirements and rules, including the California Environmental Quality Act found in Public Resources Code sections 21000, et.seq.

I/We understand that information contained in Sections 1, 2, and 3 of this application (with the exception of Accountant name, Bank name, Source of Feedstock, Customers, Competitors and Keys to Success) will become public information during the administration of this program, and that any loan agreement that I/we may sign and its attachments will be public information. All other information provided in this application should be considered trade secret, confidential or proprietary information as described in 14CCR 17041 through 17056 and be treated accordingly.

| | | |
|----------------------|-----------------------------|------|
| Authorized Signature | Print Name & Position Title | Date |
|----------------------|-----------------------------|------|

| | | |
|----------------------|-----------------------------|------|
| Authorized Signature | Print Name & Position Title | Date |
|----------------------|-----------------------------|------|

| | | |
|----------------------|-----------------------------|------|
| Authorized Signature | Print Name & Position Title | Date |
|----------------------|-----------------------------|------|

| | | |
|----------------------|-----------------------------|------|
| Authorized Signature | Print Name & Position Title | Date |
|----------------------|-----------------------------|------|

Exhibit B Work Plan

Project Description:

Mobilization/Start up Steps:

Scope of Work:

| Phase Number | Description | Estimated Completion Date |
|--------------|-------------|---------------------------|
| Phase #1 | | |
| Phase #2 | | |
| Phase #3 | | |
| Phase #4 | | |
| Phase #5 | | |
| Phase #6 | | |

Note: The Work Plan should include enough detail to demonstrate to the reviewers that all funds will be used efficiently and that the project will be successful.

Exhibit C Personal Financial Statement

| PERSONAL FINANCIAL STATEMENT | | | |
|--|------------------|--|--------------|
| As of _____, 2000 | | | |
| Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan. | | | |
| Name | Business Phone: | | |
| Residence Address | Residence Phone: | | |
| City, State & Zip Code | | | |
| Business Name of Applicant/Borrower | | | |
| ASSETS | (Omit Cents) | LIABILITIES | (Omit Cents) |
| Cash on Hand & in Banks | \$ _____ | Accounts Payable | \$ _____ |
| Savings Account in Banks | \$ _____ | Notes Payable to Banks and Others (Describe in Section 2) | \$ _____ |
| IRA or Other Retirement Account | \$ _____ | Installment Account (Auto) Monthly Payments \$ _____ | \$ _____ |
| Accounts & Notes Receivable | \$ _____ | Loans on Life Insurance | \$ _____ |
| Life Ins. Cash Surrender Value Only (Complete Section 8) | \$ _____ | Mortgages on Real Estate (Describe in Section 4) | \$ _____ |
| Stocks and Bonds (Describe in Section 3) | \$ _____ | Unpaid Taxes (Describe in Section 6) | \$ _____ |
| Real Estate (Describe in Section 4) | \$ _____ | Other Liabilities (Describe in Section 7) | \$ _____ |
| Automobile-Present Value | \$ _____ | Total Liabilities | \$ _____ |
| Other Personal Property (Describe in Section 5) | \$ _____ | Net Worth | \$ _____ |
| Other Assets (Describe in Section 5) | \$ _____ | | |
| Total | \$ _____ | Total | \$ _____ |
| Section 1. Source of Income | | Contingent Liabilities | |
| Salary | \$ _____ | As Endorser or Co-Maker | \$ _____ |
| Net Investment Income | \$ _____ | Legal Claims and Judgments | \$ _____ |
| Real Estate Income | \$ _____ | Provision for Federal Income Tax | \$ _____ |
| Other Income (Describe) | \$ _____ | Other Special Debt | \$ _____ |
| Description of Other Income in Section 1 (Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.) | | | |

| Section 2. Notes Payable to Bank and Others (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.) | | | | | |
|---|------------------|-----------------|----------------|---------------------------|--|
| Name and Address of Noteholder(s) | Original Balance | Current Balance | Payment Amount | Frequency (Monthly, etc.) | How Secured or Endorsed / Type of Collateral |
| | | | | | |
| | | | | | |

| Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.) | | | | | |
|--|--------------------|------|---------------------------------|----------------------------|-------------|
| Number of Shares | Name of Securities | Cost | Market Value Quotation/Exchange | Date of Quotation/Exchange | Total Value |
| | | | | | |
| | | | | | |

| Section 4. Real Estate Owned. (List each parcel separately. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.) | | | |
|--|------------|------------|------------|
| | Property A | Property B | Property C |
| Type of Property | | | |
| Name & Address of Title Holder | | | |
| Date Purchased / Original Cost | | | |
| Present Market Value | | | |
| Name & Address of Mortgage | | | |
| Mortgage Balance | | | |
| Amount of Payment per | | | |
| Status of Mortgage | | | |

Section 5. Other Personal Property and Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment, and if delinquent, describe delinquency.)

Section 6. Unpaid Taxes (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches).

Section 7. Other Liabilities (Describe in detail).

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries).

If the answer to any of the following questions is yes, attach a written explanation.

Have you ever declared personal bankruptcy? Yes No

 If yes: Chapter Filed _____ Date Filed: _____ Case Number: _____

 Present Status: Case Dismissed Payment Plan Debts Discharged Pending

Have you ever experienced foreclosure, repossession, debt judgement or criminal penalty within the last seven years? Yes No

Are there any legal actions (claims, lawsuits, etc.) pending against you? Yes No

CIWMB Facility Compliance Loan Program: Report to the Legislature—Attachment 1

I authorize the California Integrated Waste Management Board to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan.

Signature:

Date:

Social Security Number:

Exhibit E Cost Estimate

Indicate all costs for each project phase in the appropriate columns and total at the bottom. **Prepare a separate cost estimate for each project component.**

The table shown below identifies the costs for the following project component: *(Check only one box)*

- Design and construction of environmental monitoring and control systems
- Purchase of operating equipment
- Construction of all-weather internal roads or pads
- Other

Project Description: _____

| Project Costs | Phase 1 | Phase 2 | Phase 3 | Phase 4 | Phase 5 | Phase 6 | Totals |
|-------------------------|---------|---------|---------|---------|---------|---------|--------|
| Equipment/ Materials | | | | | | | |
| Labor | | | | | | | |
| Testing | | | | | | | |
| Engineering Services | | | | | | | |
| Other | | | | | | | |
| TOTAL | | | | | | | |

EXHIBIT F SCORING CRITERIA

| FACILITY COMPLIANCE LOAN PROGRAM SCORING CRITERIA | |
|---|---|
| Applications will be ranked based upon the scoring criteria points listed below. Proposals with the highest scores will be considered for funding first. Projects not associated with permitted solid waste facilities with existing or chronic non-compliance are disqualified. Applications that are substantially incomplete will not be considered for funding. | |
| Points | Description |
| Solid Waste Facility | |
| Pass/Fail | Permitted solid waste facility |
| Pass/Fail | Demonstrates an existing or chronic non-compliance at the facility which poses a tangible environmental threat |
| 25 | Facility meets the definitions of “small” and “publicly operated”, and <u>primarily</u> services rural areas |
| Primary Project | |
| 25 | Design and construction of environmental monitoring and control systems |
| 15 | Purchase of operating |
| 10 | Construction of all-weather internal roads or pads |
| 5 | Other |
| Financial | |
| 5 | Demonstrates the need for the requested loan funds |
| 5 | Explains other methods of financing attempted and evidence of reasonable efforts made to raise funds for compliance |
| 5 | Demonstrates ability to repay the loan and pay for facility compliance costs that exceed the loan amount. |
| 5 | Identifies a guaranteed revenue source that will be dedicated to repay the loan |
| | TOTAL |

EXHIBIT G PRESENT DEBT OBLIGATIONS

As of _____√

Complete the following for all present debt obligations of the business. Do not include proposed debt pertaining to this project.

| Loan Number | Creditor Name and Address | Original Date | Original Amount | Present Balance | Interest Rate | Maturity Date | Monthly Payment | P & I Annual Debt Service | Collateral | Current or Delinquent |
|---------------------------------|---------------------------|---------------|-----------------|-----------------|---------------|---------------|-----------------|---------------------------|------------|-----------------------|
| | | | \$ | \$ | | | \$ | \$ | | |
| | | | \$ | \$ | | | \$ | \$ | | |
| | | | \$ | \$ | | | \$ | \$ | | |
| | | | \$ | \$ | | | \$ | \$ | | |
| | | | \$ | \$ | | | \$ | \$ | | |
| | | | \$ | \$ | | | \$ | \$ | | |
| TOTAL PRESENT BALANCE √√ | | | | \$ | | | | | | |

√ Same date as most recent financial statement.

√√ Total must agree with balance shown on most recent balance sheet

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STATE OF CALIFORNIA

FACILITY COMPLIANCE LOAN PROGRAM

PROGRAM GUIDELINES AND APPLICATION

FOR

LOCAL GOVERNMENTS



FY

1999/2000

INTEGRATED

WASTE

MANAGEMENT

BOARD

PROGRAM GUIDELINES FOR

LOANS TO ASSIST WITH SOLID WASTE FACILITY COMPLIANCE

PRIVACY NOTICE

The information requested in this loan application will be used by the California Integrated Waste Management Board (Board) for the purpose of determining the eligibility and creditworthiness of the loan Applicant, and the Applicant's ability to secure and repay the loan. In the event of sale or securitization of loans, public-rating agencies, prospective investors or purchasers, or their agents will review information. Such review will be subject to a confidentiality agreement.

Portions of the information in the application may be transferred to members of the Board's loan committee and to other state agencies assisting the Board with administration and maintenance of this program, including but not limited to the Department of Economic Opportunities, the Office of the State Controller, the Department of General Services, the Department of Real Estate, the Trade and Commerce Agency and the California State Attorney General. Designated items provided in this application may also be entered into the Board's Business Intake Database which will be accessible to the public.

This notice is required by Section 1798.17 of the Information Practices Act of 1977 (California Civil Code Sections 1798 through 1798.78) and the Federal Privacy Act (5 USC 552a, subd. (e)(3) whenever an agency requests personal information from an individual.

The information that is requested in this application is mandatory for all applicants. Failure to provide the information may result in an Applicant not receiving a loan from the Board.

Applicants have the right to review their loan application files. The official responsible for maintenance of the loan application files is: Loan Administrator, Facility Compliance Loan Program, California Integrated Waste Management Board, 8800 Cal Center Drive, Mail Stop #25, Sacramento, CA, 95826.

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LOAN APPLICATION SUBMITTAL CHECKLIST

- Application for Local Governments
- Resolution (see Exhibit A, sample Resolution)
- Work Plan (see Exhibit B, Work Plan)
- Detailed Cost Estimate (see Exhibit C, Cost Estimate)
- Environmental Compliance Documentation
- Financial Information
- Vicinity Map and Site Map
- Certified Documentation Identifying Source(s) of Funds for Repayment of Loan and Costs Exceeding Loan Amount, If Applicable

FACILITY COMPLIANCE LOAN PROGRAM PROGRAM GUIDELINES FOR LOCAL GOVERNMENTS

1. Introduction

The Budget Act of 1999 authorized the California Integrated Waste Management Board (Board) to administer a loan program to assist owners and/or operators of solid waste facilities with environmental compliance. The Facility Compliance Loan Program (FCLP) provides \$1.44 million and the 2000-01 Budget Bill proposes an additional \$1.44 million in interest-free loans to improve environmental compliance at solid waste facilities in the State of California. This guide addresses procedures and instructions for obtaining FCLP loans.

2. Board Contact

For further information on the FCLP or additional copies of the application package, contact:

Bridget D. Brown, IWMS
Facilities Compliance Loan Program
Permitting and Enforcement Branch
California Integrated Waste Management Board
8800 Cal Center Drive, M.S. 25
Sacramento, CA 95826

E-mail: bbrown@ciwmb.ca.gov
Phone: (916) 255-4066
FAX: (916) 255-4071

3. Program

Applicants for the FCLP are limited to owners and operators of permitted solid waste facilities in the State of California with existing or chronic non-compliance at the facility. Priority will be given to small, publicly operated facilities that primarily service rural areas, and that pose a tangible environmental threat. The maximum loan amount allowed under the Facility Compliance Loan Program is \$500,000 per borrower. The interest rate for any FCLP loan shall be zero percent (0%). Applicants may receive only one FCLP loan from the current appropriation. The Board may approve loans greater than the maximum loan amount on an individual basis. Loans must be repaid within fifteen years. Applicants must provide adequate documentation of financial need for assistance with compliance problems, and demonstrate an ability to repay the loan as well as any that exceed the loan amount. Funds may not be used to refinance existing loans. All projects must be completed within 24 months of funding.

4. Eligibility Criteria

- a. Applicants must be the owner and/or operator (“facility operator”) of a permitted solid waste facility.
- b. Applicant must be able to demonstrate an existing or chronic non-compliance at the facility.
- c. Priority will be given to small, publicly operated facilities that primarily service rural areas and that pose a tangible environmental threat.

5. Application Requirements

Each applicant must submit a loan application, together with the following:

- a. A Resolution (see Exhibit A, sample Resolution). An approved resolution from the applicant's governing body that authorizes submittal of an application for the Facility Compliance Loan and the title of the individual authorized to execute any agreements, contracts, etc. This authorized individual will be the only person whose signature the Board will recognize. A sample resolution is included in this package. Applications from joint power authorities consisting of several cities and/or counties must include a signed copy of a written agreement between the governing bodies authorizing the loan applicant to act on their behalf.
- b. A detailed Work Plan (see Exhibit B, Work Plan). A Work Plan should be submitted for each site. Each Work Plan phase should be assigned a phase number, which will be used for reference on the Cost Estimate. The Work Plan should include the following information:
 - (1) A Project Description, including: site history, type and amount of waste, surrounding land use and distance, topography, accessibility as it pertains to the project;
 - (2) Mobilization/Start up Steps, including: obtaining permits, conducting CEQA; and
 - (3) A Scope of Work, including: a description of the steps necessary to remediate the nuisance or threat, etc.
- c. A detailed Cost Estimate (see Exhibit C, Cost Estimate). Cost of eligible and ineligible work items must be itemized separately. The "Primary Project" is the project with the highest cost.
- d. Evidence for substantiation of threat to public health and safety or the environment. Attach applicable regulatory agency investigations or enforcement orders, solid waste assessment test (SWAT) reports, or certified environmental assessment reports.
- e. Evidence of Compliance with the California Environmental Quality Act (CEQA), e.g. Notice of Exemption, Initial Study/Negative Declaration, or Environmental Impact Report.
- f. Financial information:
 - (1) Demonstrate the need for the requested loan funds. Attach applicant's annual financial operating statements for the last three years and interim (within 90 days), independent audits, and/or other evidence of financial condition. Each statement must be certified by the original signature of the person completing this application.
 - (2) Explain other methods of financing attempted and evidence of reasonable efforts made to raise funds for compliance, e.g., increasing tipping fees above State average, assessing parcel fees.
 - (3) Identify and provide evidence of a financial mechanism to repay the loan and pay for facility compliance costs that exceed the loan amount, certified by the original signature of the person completing this application. In lieu of collateral, the applicant must identify a guaranteed revenue source that will be dedicated to repay the loan.

NOTE: It shall be the responsibility of the applicant to immediately notify the Board of any change in financial conditions that would make the applicant financially able to bring the facility into compliance without IWMA funds, unable to repay the loan, or unable to pay for facility compliance costs that exceed the loan amount. This notification shall be required both during the application process and after the Loan Agreement has been signed. Such conditions may negate eligibility for use of IWMA funds. Applications that are substantially incomplete will not be considered for funding.

6. Application Deadline

Applications must be postmarked by Monday, July 31, 2000. Hand-delivered applications must be in the Board's Sacramento offices by 4:00 p.m. on Monday, July 31, 2000.

7. Financial Standards

The source of funds for loans is the Integrated Waste Management Account (IWMA). The Board may approve loans from the IWMA for eligible facility compliance costs for prioritized facilities as funds are available. In prioritizing a facility compliance project, the Board will consider:

- a. The degree of risk to public health and safety and the environment posed by conditions at a facility,
- b. The ability of the facility owner/operator to bring the facility into compliance without monetary assistance,
- c. The ability to adequately solve the compliance problem at the facility with available funds, and
- d. Other factors as determined by the Board.

Applicants must fund all facility compliance costs that exceed the loan amount and provide evidence of a financial mechanism to repay the loan. Loans shall not exceed maximum amounts or program limitations established by the Board. Funds cannot be used for other improvements to the facility, nor for uses not identified in the loan agreement.

8. Eligible and Ineligible Costs

- a. Eligible costs for facility compliance assistance include, but are not limited to, the:
 - (1) Design and construction of environmental monitoring and control systems to remedy landfill gas or water quality problems; odor problems; noise problems; dust problems; and other monitoring and control systems as determined by the Board;
 - (2) Purchase of operating equipment to provide daily cover or to assist with litter and/or vector control at the facility;
 - (3) Construction of all-weather internal roads or pads to remedy chronic wet weather operating problems; or
 - (4) Other work deemed eligible by the Board.
- b. Ineligible costs for facility compliance assistance include, but are not limited to:
 - (1) Normal daily facility operations;
 - (2) Cleanup of hazardous wastes; and
 - (3) Other work deemed ineligible by the Board.

9. Application Review and Loan Agreement

- a. Board staff will review applications for adequacy and eligibility. Upon determination that the applicant is eligible, the application is analyzed and the project priority determined using the Scoring Criteria. To the extent that funds are available, projects with the higher scores will be evaluated by the Board Loan Committee. Board staff will recommend to the Board specific projects for funding based upon scoring results and the Loan Committee's recommendations.
- b. The Board approves loans based upon facility priority, financial status of applicant, verification of guaranteed revenue sources for repayment of loan, and availability of funds. When approved, a Loan Agreement is prepared and sent to the applicant for signature and returned to the Board staff.

Authorized Board staff sign the Agreement and return a fully executed copy to the Borrower. If a loan agreement cannot be executed within 60 days of Board approval, the applicant will be disqualified.

10. Management of Facility Compliance

The Borrower shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits in the procurement and management of consultant services and contracts related to correcting existing or possible non-compliance problems.

- a. Board staff and the local enforcement agency (LEA) may conduct field management reviews during the project to verify compliance with the approved plans and specifications and terms of the Loan Agreement.
- b. The LEA shall provide Board staff with a quarterly report describing the status of the project.
- c. The Borrower shall provide Board staff with a quarterly report identifying all project expenditures.
- d. The Borrower shall maintain records in accordance with accepted government accounting standards, and shall include as a minimum:
 - (1) A Facility Compliance Account for all project receipts and disbursements.
 - (2) Accurate and complete accounting of all project financial transactions.
 - (3) Supporting documents showing source of receipts and to whom payments were made.
 - (4) Control and accountability for all project funds, property, and other assets including assurance that all funds were solely for authorized purposes.
 - (5) Procedures to ensure prompt disbursements of accounts payable.
 - (6) Procedures to determine and segregate allowable costs.
 - (7) The Borrower shall allow the Board, the State Controller's Office, and the State Auditor General's Office, or their designated representatives, absolute right of access to all of Borrower's records pertaining to the Agreement, or any part thereof requested, shall be made available to the designated auditors upon request. Records shall be retained for at least three (3) years after expiration of the Agreement, or until completion of actions and resolution of all issues which may arise as a result of any litigation, claim, negotiation or audit, whichever is later.

11. Loan Servicing and Restrictions

- a. Loan funds shall be disbursed at a rate determined by the Board. Disbursement will take place after the Loan Agreement has been fully executed and as specified in the Loan Agreement.
- b. Repayment:
 - (1) Loans shall be repayable over a maximum of fifteen years. Payments shall be made monthly or as otherwise determined by the Board and commence one full year from the date of the Loan Agreement in amounts as determined by the Board. Loan repayments shall be from a guaranteed revenue source approved by the Board.
 - (2) Repayment may be made, either in full or in part, in advance.
 - (3) The Board may require other collateral and/or covenants from Borrower to assure repayment of the loan.
- c. The Borrower shall establish a Facility Compliance Account into which all loan amounts received shall be deposited and disbursed. Expenditures from the Facility Compliance Account shall be made only for eligible project costs as defined in these guidelines or as otherwise approved by the Board. All funds remaining in the account after final payment of eligible facility compliance costs or 24 months

from the date of funding, whichever comes first, shall be repaid to the Board at the time of the next regularly scheduled payment.

- d. Any closure costs related to a FCLP loan will be paid by the Borrower, e.g., title insurance, recording fees.

12. Definitions

- a. **“Facility operator”** means the operating unit, and other person(s) who through a lease, franchise agreement or other arrangement with the owner of the property is granted the approval to operate a solid waste facility, disposal site, transfer or processing station, composting station, or solid waste handling system, or the owner of the property. (14 CCR 18011(a)(10)).
- b. **“Non-compliance”** means a facility that received a Notice of Violation or an Area of Concern for one or more State Minimum Standards. (Title 14, California Code of Regulations (14 CCR), Chapter 3).
- c. **“Permitted solid waste facility”** means any solid waste facility required to obtain a permit pursuant to PRC, Article 1 (commencing with Section 44001) of Chapter 3 of Part 4.
- d. **“Publicly operated facility”** means a facility in which the permitted operator or owner is one of the subdivisions of state government.
- e. **“Rural area”** means any town, village, city, or place that is not part of or associated with an urban area, and that:
 - (1) Is rural in character with a population of less than 10,000; or
 - (2) Is not contained within a Metropolitan Statistical Area (MSA) and has a population of less than 20,000.Population shall be determined according to the latest figures published by the California Department of Finance.
- f. **“Small”** means a facility that is operated by an entity that is not dominant in solid waste management, or is not a subsidiary of such an entity.
- g. **“Tangible environmental threat”** means a threat to the public health, safety or the environment as determined by the Local Solid Waste Enforcement Agency (LEA).

Exhibit A Sample Resolution

Resolution Number: _____

RESOLUTION OF THE _____
(Title of Governing Body/City Council/ Board of Supervisors)

OF _____ APPROVING THE APPLICATION FOR A LOAN
(City, County)

FROM THE INTEGRATED WASTE MANAGEMENT ACCOUNT for the following Solid Waste Facility Compliance project:

WHEREAS, the Budget Act of 1999 authorizes the California Integrated Waste Management Board (the "Board") to administer a Facility Compliance Loan Program to provide \$2.88 million in interest-free loans over a two-year period to improve environmental compliance at solid waste facilities; and

WHEREAS, said procedures established by the Board require the applicant to certify by resolution the approval of application before submission of said application to the State of California; and

WHEREAS, the applicant will enter into an agreement with the State of California for a facility compliance project;

NOW, THEREFORE, BE IT RESOLVED that the _____ HEREBY:
(Title of Governing Body/City Council/Board of Supervisors)

1. Approves the filing of an application for facility compliance using loan funds from the Integrated Waste Management Account for the project specified above; and
2. Certifies that said applicant has or will have sufficient funds in addition to funds provided by the loan to operate, maintain and complete the project; and
3. Appoints the _____ as agent of the _____
(Title - Not Name) *(Title of Governing Body/City Council/Board of Supervisors)*
to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, and so on, which may be necessary for the completion of the aforementioned project.

Approved and Adopted this _____ day of _____, _____.

I the undersigned, hereby certify that the foregoing Resolution Number _____ was duly adopted by the _____ following roll call vote:
(Title of Governing Body/City Council, Board of Supervisors)

Ayes:

Noes:

Absent:

Clerk

Exhibit B Work Plan

Project Description:

Mobilization/Start up Steps:

Scope of Work:

| Phase Number | Description | Estimated Completion Date |
|---------------------|--------------------|----------------------------------|
| Phase #1 | | |
| Phase #2 | | |
| Phase #3 | | |
| Phase #4 | | |
| Phase #5 | | |
| Phase #6 | | |

Note: The Work Plan should include enough detail to demonstrate to the reviewers that all funds will be used efficiently and that the project will be successful.

Exhibit C Cost Estimate

Indicate all costs for each project phase in the appropriate columns and total at the bottom. **Prepare a separate cost estimate for each project component.**

The table shown below identifies the costs for the following project component: *(Check only one box)*

- Design and construction of environmental monitoring and control systems
- Purchase of operating equipment
- Construction of all-weather internal roads or pads
- Other

Project Description: _____

| | Phase 1 | Phase 2 | Phase 3 | Phase 4 | Phase 5 | Phase 6 | Total |
|---------------------------------|---------|---------|---------|---------|---------|---------|-------|
| Equipment/ Materials | | | | | | | |
| Labor | | | | | | | |
| Testing | | | | | | | |
| Engineering Services | | | | | | | |
| Other | | | | | | | |
| TOTAL | | | | | | | |

EXHIBIT D Scoring Criteria

| FACILITY COMPLIANCE LOAN PROGRAM SCORING CRITERIA | |
|--|---|
| <p>Applications will be ranked based upon the scoring criteria points listed below. Proposals with the highest scores will be considered for funding first. Projects not associated with permitted solid waste facilities with existing or chronic non-compliance are disqualified. Applications that are substantially incomplete will not be considered for funding.</p> | |
| POINTS | DESCRIPTION |
| Solid Waste Facility | |
| Pass/Fail | Permitted solid waste facility |
| Pass/Fail | Demonstrates an existing or chronic non-compliance at the facility which poses a tangible environmental threat |
| 25 | Facility meets the definitions of “small” and “publicly operated”, and primarily services rural areas. |
| Primary Project | |
| 25 | Design and construction of environmental monitoring and control systems |
| 15 | Purchase of operating equipment. |
| 10 | Construction of all-weather internal roads or pads |
| 5 | Other |
| Financial | |
| 5 | Demonstrates the need for the requested loan funds |
| 5 | Explains other methods of financing attempted and evidence of reasonable efforts made to raise funds for compliance |
| 5 | Demonstrates ability to repay the loan and pay for facility compliance costs that exceed the loan amount. |
| 5 | Identifies a guaranteed revenue source that will be dedicated to repay the loan |
| | TOTAL |

EXHIBIT E
Loan Application for Local Governments

Please refer to "Program Guidelines for Local Governments"
when completing this application

PART I. APPLICANT INFORMATION

NAME OF ENTITY OWNING SITE

NAME OF AGENCY/DEPARTMENT SUBMITTING APPLICATION

ADDRESS

CITY

ZIP CODE

AREA CODE/TELEPHONE NUMBER

FAX NUMBER

PART II. SITE INFORMATION

NAME OF PERSON AUTHORIZED TO SIGN APPLICATION

TITLE (*Authorized in Resolution*)

SITE NAME

SWIS NUMBER

FACILITY TYPE (*Solid Waste Landfill, Transfer Station, Material Recovery Facility, etc*)

FACILITY STATUS (*Active, closed, etc.*)

LOCATION (*Attach vicinity map*)

EXISTING OR CHRONIC NON-COMPLIANCE AT FACILITY (*Attach copy of investigation*)

PART II. SITE INFORMATION (CONTINUED)

CURRENT ENFORCEMENT ORDERS & STATUS OF COMPLIANCE (*Attach copy of enforcement orders, Notice of Violation*)

THIS FACILITY PRIMARILY SERVICES RURAL AREAS (*See definition of "rural" in Guidelines for Local Governments*)

PART III. PROJECT INFORMATION

PROJECT DESCRIPTION (*Attach detailed Scope of Work and Site Map showing project limits*)

CEQA COMPLIANCE (*Attach copy of environmental compliance documentation*)

PROJECT COST SUMMARY (*Attach detailed Cost Estimate(s), Exhibit C*)

| | | |
|----|--|----------|
| A. | EQUIPMENT/MATERIALS COSTS | \$ _____ |
| B. | LABOR COSTS | \$ _____ |
| C. | TESTING COSTS | \$ _____ |
| D. | ENGINEERING SERVICES | \$ _____ |
| E. | OTHER | \$ _____ |
| F. | TOTAL ESTIMATED PROJECT (A +B + C + D + E) | \$ _____ |
| G. | REQUESTED LOAN AMOUNT (<i>See Exhibit C</i>) | \$ _____ |

PART IV. FINANCIAL INFORMATION

STATEMENT OF NEED FOR REQUESTED FUNDS *Attach financial statements, audits, etc. to substantiate need*

SOURCE(S) OF FUNDS FOR REPAYMENT OF LOAN AND COSTS EXCEEDING LOAN AMOUNT *(Attach certified documentation)*

FINANCIAL MECHANISM FOR LOAN SECURITY *(Identify source of revenue; check all that apply)*

- PLEDGE OF REVENUE
 - ENTERPRISE FUND
 - FINANCIAL MEANS TEST
 - OTHER _____
-
-

PART V. APPLICATION AGREEMENT AND SIGNATURE

I certify that all information in this application and that all information provided in support of this application is true and complete to the best of my knowledge and belief. I authorize the California Integrated Waste Management Board to obtain business credit reports and conduct any other inquiries deemed necessary to determine the creditworthiness of the applicant. I certify that I am signing on behalf of the applicant in the capacity indicated next to my name below and that I am authorized to execute this application on behalf of the applicant.

I certify that the jurisdiction is in compliance with all local, State and Federal laws, regulations, requirements and rules, including the California Environmental Quality Act found in Public Resources Code Sections 21000, et.seq.

I understand that information contained in this application will become public information during the administration of this program, and that any loan agreement that I may sign and its attachments will be public information. All other information provided in this application should be considered trade secret, confidential or proprietary information as described in 14CCR 17041 through 17056 and be treated accordingly.

AUTHORIZED OFFICIAL'S SIGNATURE

TITLE (*Authorized in Resolution*)

TYPE NAME

DATE

SUBMIT ORIGINAL APPLICATION AND ATTACHMENTS TO:

FACILITY COMPLIANCE LOAN PROGRAM
FACILITIES OPERATIONS BRANCH, PERMITTING & ENFORCEMENT DIVISION
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
8800 CAL CENTER DRIVE, M.S. 25
SACRAMENTO, CALIFORNIA 95826

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STATE OF CALIFORNIA

FACILITY COMPLIANCE LOAN PROGRAM

COLLATERAL REQUIREMENTS



**INTEGRATED
WASTE
MANAGEMENT
BOARD**

Facility Compliance Loan Program Collateral Requirements

Each applicant must demonstrate the ability to secure the loan, either by providing collateral and/or pledging a guaranteed revenue source. In no case will the term of the loan be longer than the economic or depreciable life of the assets used as security. The value of the collateral may be discounted to account for the decreased marketability of repossessed or foreclosed assets.

Loan applicant will provide one of more of the following forms of collateral. Not all forms of collateral are appropriate for local governments.

Guaranteed Revenue Stream

A dedicated or guaranteed revenue stream is a good source of collateral for FCLP loans and the most likely form for local governments. For commercial lending purposes, the revenue stream is similar to an account receivable. For local governments, the revenue stream would be in the form of a pledge of revenue from an enterprise fund.

Business Assets

Additional collateral may be obtained by filing a Uniform Commercial Code Financing Statement with the Secretary of State, taking a security position on all non-titled business assets.

Equipment and Fixtures

Equipment and fixtures may be taken as collateral. The applicant must provide a valuation of the collateral and insurance coverage naming IWMB as loss payee.

Real Estate

Appraisal: If the applicant provides non-residential real estate for collateral, then a current appraisal on the property must be provided. The appraiser must be licensed and certified to perform appraisals in the State of California. The applicant will bear the cost of the appraisal. The appraisal must be a complete appraisal, as opposed to a limited or drive-by appraisal, as defined in the Uniform Standards of Professional Appraiser Practices, by the Appraisal Standards Board.

Title Insurance: The applicant must provide a title insurance policy on real estate pledged as collateral. A title company that is authorized by the Department of Insurance to sell insurance must issue the State of California title insurance in the State of California. The applicant will bear the cost of the appraisal.

Flood Insurance: Flood insurance will be required on real property located in a flood plain.

Liability and Hazard Insurance: Minimum insurance coverage is required on all loans and should cover fire, theft, vandalism, malicious mischief, explosion, and property damage in an amount not less than the value of the collateral and liability insurance of \$500,000. This requirement cannot be waived. IWMB will be named as an additional loss payee and insured party.

Other Types of Collateral

Other types of collateral are acceptable, except residential property.