

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY (CPCFA)
BOND FINANCING PROGRAM**

Meeting Date: September 23, 2025

Request to Approve a Final Resolution Authorizing the Issuance of Tax-Exempt Revenue Bonds for New Money Purposes

Prepared by: *Tyler Hanks*

Applicant:	Poso Creek Family Dairy, LLC and/or its affiliates
Project Location:	City of Wasco (Kern County)
New Money Amount Requested:	\$3,500,000
SBAF Resolution Amount Requested:	\$186,000
Application No.:	973 (SB)
Final Resolution No.:	25-01-627
SBAF Resolution No.:	25-01-002
Prior Actions:	IR approved on 04/09/2025

Summary: Poso Creek Family Dairy LLC, and/or its affiliates (the “Borrower”) requests approval of a Final Resolution (FR) for an amount not to exceed \$3,500,000 in tax-exempt bonds. The Borrower is also requesting the approval of a Small Business Assistance Fund (SBAF) Resolution for cost of issuance assistance in an amount not to exceed \$186,000. The bond proceeds will be used to finance the construction and equipping of solid waste disposal facilities at a dairy located at 13437 Gun Club Road in Wasco, California (as further described below, the “Project”).

Borrower: P&D Dairy, a general partnership, solely owns Poso Creek Family Dairy, LLC. The Borrower was organized in July of 2002 in Wasco, California and is in the business of supporting livestock and operates as a dairy producer. The Borrower and/or its affiliates employ approximately 151 employees, qualifying as a small business.

The Borrower’s key officials are:

Sam DeKruyf, Trustee of the DeKruyf Family Trust	Partner
Dot Helen DeKruyf, Trustee of the DeKruyf Family Trust	Partner
Peter Bouma, Trustee of the Peter Bouma Community Property Trust	Partner
Dana Bouma, Trustee of the Peter Bouma Community Property Trust	Partner

Legal Questionnaire: CPCFA staff has reviewed the Borrower’s responses to the questions contained in the Legal Status Questionnaire (Attachment A) portion of the Application. The Borrower states that it has nothing to disclose regarding any legal, regulatory, or investigative action that would materially impact the financial viability of the Project or applicant, or that involves fraud, corruption, or health and safety issues. Staff

also conducted an online search and found a recent violation from the State Water Resources Control Board stating the Borrower added a feed storage area outside of the production area. The Borrower immediately corrected the violation and has since been cleared with the State Water Resources Control Board. State Treasurer’s Office attorney Theodore Ballmer reviewed the violation and saw no cause for concern. Staff found no other items of note.

Tax Equity and Fiscal Responsibility Act (TEFRA): The TEFRA hearing was held on August 7, 2025. There were no comments received in support of or in opposition to the Project at the hearing or in writing.

Fees: The Borrower has paid an application fee of \$1,750. The estimated administrative fee of \$5,250 (\$3,500,000 x .002) - \$1,750.00) will be due at closing.

Small Business Assistance Fund (SBAF) Eligibility: CPCFA funds the SBAF, established in California Code of Regulations, title 4, section 8041, through fees collected from large business borrowers with more than 500 employees. CPCFA uses the SBAF to assist small business borrowers in offsetting the costs of issuance. SBAF assistance is available on a sliding scale for new money issuances to small business borrowers, defined in part, in California Code of Regulations, title 4, section 8020, subdivision (l), as those who employ no more than 500 employees, unless the par amount of the bond issue is above \$13,750,000.

The Borrower has 151 total employees, and the par amount is less than the \$13,750,000 maximum; therefore, the Borrower is eligible for SBAF assistance for this new money issuance.

SBAF Assistance: CPCFA determines the SBAF assistance subsidy on a sliding scale based on the par amount. CPCFA staff have determined the Borrower meets the small business requirements with a new money amount of \$3,500,000 that is eligible for SBAF assistance in an amount not to exceed \$186,000.

Prior Financings: Prior financings by the Borrower and/or its affiliates through CPCFA are listed below.

Description	Bond/Note Issue Date	Original Amount	Outstanding Amount as of 06/30/2025
P&D DAIRY SERIES 2003A	5/30/2003	\$3,000,000	\$3,000,000

Project Description: The bond proceeds will be used to construct and equip solid waste facilities for a dairy located at 13437 Gun Club Road in Wasco, California. The Project is located on 180 acres that are presently owned by Poso Creek Family Dairy. Sixty acres of pen space is being added to house 4,000 additional heifers. The area surrounding the Project is primarily composed of open agricultural land, milk parlor, housing for cattle, and feed storage facility; all of which are predominantly rural agricultural operations. Most of

the capital expenditures associated with the Project include site grading and sloping to aid in the collection, containment, and removal of animal manure waste produced on site. In addition to site work, concrete collection lanes and dedicated equipment for the solid waste disposal aspects of the Project and individual housing (i.e. calf hutches) will be installed. Equipment acquisition is centered around pumps and piping that will be installed to aid in the removal and transport of the waste animal manure. The collected waste will be recycled and processed through an anaerobic digester collecting natural gas that will be dispersed through a local pipeline. The residual solids will be used as a nutrient supplement on the surrounding farm ground.

The anticipated project costs are listed below:

Project and Issuance Costs	To Be Paid from Bond Proceeds
Site Preparation	\$300,000
Construction of New Buildings	\$2,700,000
Acquisition of New Equipment	\$430,000
Financing Costs	<u>\$70,000</u>
Total	<u>\$3,500,000</u>

Note: The Project costs reported in the Borrower’s application and shown here in the Authority’s staff report are estimated costs and subject to change; the ultimate amounts and dates can be affected by legal, market, and other factors. At the time this financing closes, the estimated Project costs will be finalized and stated in the Tax Certificate. In addition, those costs may vary after closing due also to increased materials and labor costs, as well as design and equipment modifications during construction, differences in equipment due to future changes in statutes and regulations, or for other reasons. However, the Borrower confirms, through the submission of a signed application and will confirm through covenants and representations in various bond documents, that all assets purchased with bond proceeds will qualify for tax-exempt financing, they will be used to complete the Project as described, and the average life tests required by federal law and described in the Tax Certificate will continue to be met. Tax-exempt financing may be only one source of multiple sources of financing for a given project.

Anticipated Project Timeline: The Project commenced as of June 1, 2025, and is expected to be completed by October 1, 2025.

California Debt Limit Allocation Committee (CDLAC) Volume Cap Allocation: The Authority has applied on the Borrower’s behalf to CDLAC for an exempt facility allocation in an amount not to exceed \$3,500,000 to be considered at its September 30, 2025, board meeting.

Local Government: The Borrower received a letter of support from Melissa Hurtado, California State Senator, 16th District (see Attachment A).

Pollution Control and/or Environmental Benefits: The Borrower represents the Project will generate the following pollution control and environmental benefits described below:

- **Air Quality** - The Borrower states, “With the project's manure collection method, coupled with the lagoon and the methane digester system, the proposed project will significantly improve air quality by reducing greenhouse gas emissions. Dairy digesters capture methane and prevent it from being released into the atmosphere. The project reduces other air pollutants like ammonia. Additionally, it reduces odor and contributes to an overall cleaner and healthier environment in the surrounding areas.”
- **Water Quality** - The Borrower states, “Manure management filters and purifies the water, protecting groundwater quality and reducing the risk of contamination.”
- **Improved Energy Efficiency** - The Borrower states, “Converting dairy manure into biogas, creates renewable energy. The captured methane can be upgraded to renewable natural gas and injected into the pipeline for use in vehicles or for heating. Alternatively, it can be used to generate electricity through combined heat and power systems or other power generation methods.”
- **Recycling of Commodities** - The Borrower states the following regarding nutrient application to crops and improved soil health:
 - “Nutrient management - ability to control nutrient application to crops, reducing the need for synthetic fertilizer and minimizing nutrient runoff.”
 - “Improved soil health - manure provides essential nutrients for plant growth and acts as a soil amendment, improving organic matter content, water holding capacity, and overall soil health. Composting manure can also create a valuable source of nutrients for crops.”
- **Safety and Compliance** - The Borrower states, “The Project will be compliant with all State and local mandates. It is in direct response to the State's regulatory mandates of California Public Resources Code as required by AB 939, AB 32 and SB 1383.”
- **Economic Benefits** - The Borrower states, “Digester projects create local construction and long-term jobs and generate revenue for dairy operations, resulting in a more long-term better sustainable business and environment.”

Permitting and Environmental Approvals: The Project is consistent with existing zoning and permit requirements. The Borrower represents that the Project neither requires a new California Environmental Quality Act (Public Resources Code Section 2100 et seq.) process, nor does it require any additional discretionary permits.

Financing Details: The Borrower anticipates the issuance of negotiated tax-exempt bonds, using a public offering, completed before the end of the third quarter of 2025.

Financing Team	
Bond Counsel:	Orrick, Herrington & Sutcliffe, LP
Issuer's Counsel:	Office of the Attorney General
Other Credit Enhancement:	Farm Credit Bank of Texas
Letter of Credit:	Ag Texas Farm Credit Services or an affiliate thereof
Underwriter:	The Frazer Lanier Company, Inc.
Trustee:	BOKF, NA

Staff Recommendation: Staff recommends the approval of Final Resolution No. 25-01-627 for an amount not to exceed \$3,500,000, and SBAF Resolution No. 25-01-002 for an amount not to exceed \$186,000 for Poso Creek Family Dairy, LLC and/or its affiliates.

Note: 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 CPCFA Board 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 Preliminary Official Statement, Official Statement, and/or other offering document(s), if applicable, to obtain information essential to the making of an informed investment decision.

Attachment A

CAPITOL OFFICE
1021 O STREET, SUITE 6510
SACRAMENTO, CA 95814
TEL (916) 651-4016
FAX (916) 651-4916
DISTRICT OFFICES
BAKERSFIELD OFFICE
5201 CALIFORNIA AVENUE, SUITE 220
BAKERSFIELD, CA 93309
TEL (661) 395-2620
LEMOORE OFFICE
339 WEST D STREET, SUITE E
LEMOORE, CA 93245
TEL (559) 924-1201
TULARE OFFICE
411 E. IVERN AVENUE
TULARE, CA 93274
TEL (559) 685-1202
SENATE.CA.GOV/HURTADO

California State Senate

SENATOR
MELISSA HURTADO
SIXTEENTH SENATE DISTRICT



COMMITTEES
AGRICULTURE
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ENERGY, UTILITIES & COMMUNICATION
ENVIRONMENTAL QUALITY
GOVERNMENTAL ORGANIZATION
NATURAL RESOURCES AND WATER

June 13, 2025

California Pollution Control Financing Authority
P.O. Box 942809
Sacramento, CA 94209

RE: Letter of Support for Poso Creek Family Dairy LLC Heifer Facility Expansion and Tax-Exempt Bond Financing Program Request.

Dear Deanna Hamelin:

I am writing to express my support for the Poso Creek Family Dairy LLC heifer corral facility expansion project, and their request for \$3.5 million from the California Pollution Control Financing Authority's Tax-Exempt Bond Financing Program.

Poso Creek Family Dairy LLC are currently operating a methane digester system at their facility located in Wasco, CA. The methane digester system collects manure, breaks down the organic matter, and captures methane. The methane is then processed into biogas for energy. The system helps reduce greenhouse gas emissions, generates renewable energy, and manages manure effectively.

The heifer facility expansion project will expand the methane digester system and create additional corral space to increase the number of heifers in the facility by 4,000. Poso Creek Family Dairy LLC will then be able to operate a facility with 5,000 milk cows; 1,000 dry cows; 6,000 heifers; and 1,200 acres of open ground in Wasco. The dairy is permitted accordingly and have an approved County Integrated Waste Management Plan.

This project aligns with the state's goal of promoting efficient farm waste processing systems. As the California State Senator for the 16th District, I recognize the critical role that dairies, like Poso Creek, play in the agricultural sector and economy of the Central Valley. I also recognize the need to reduce greenhouse gasses and manage manure effectively in the state. I fully support Poso Creek Family Dairy's \$3.5 million bond financing request and the heifer facility expansion project.

Thank you for your consideration. Should you have any questions, please do not hesitate to reach out to my Chief of Staff, Aaron Brieno, at Aaron.Brieno@sen.ca.gov or 916-651-4016.

Sincerely,

A handwritten signature in blue ink that reads "Melissa Hurtado". The signature is written in a cursive style with a large initial "M".

Melissa Hurtado
California State Senator, 16th District

**FINAL RESOLUTION OF THE
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
RELATING TO VARIABLE RATE DEMAND SOLID WASTE DISPOSAL REVENUE
BONDS
FOR POSO CREEK FAMILY DAIRY, LLC AND/OR ITS AFFILIATES**

September 23, 2025

WHEREAS, the California Pollution Control Financing Authority (the “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) (the “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, the Authority has received the application of Poso Creek Family Dairy, LLC, a California limited liability company (and together with any affiliates, the “Borrower”), for financial assistance to finance the construction and equipping of solid waste collection and processing facilities and associated offices, for a heifer facility located in Wasco, California (collectively, the “Project”), all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”); and

WHEREAS, the Borrower has requested the Authority to issue its revenue bonds from time to time in an amount not to exceed \$3,500,000 to assist in the financing of the Project; and

WHEREAS, the Authority has applied for an allocation to finance certain costs of the Project and to pay certain costs of issuance of such revenue bonds in the aggregate amount of \$3,500,000 from the California Debt Limit Allocation Committee (“CDLAC”) (the “Allocation”); and

WHEREAS, the proceeds of such revenue bonds will be loaned to the Borrower under a loan agreement with the Authority and applied to the financing of the Project; and

WHEREAS, final approval of the terms of such revenue bonds and certain documents relating to such revenue bonds is now sought; and

WHEREAS, to the extent required, the Borrower has provided documentation to the Authority that the Project has complied with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), or is not a project under that division;

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

Section 1. The Project constitutes a “project” and the Borrower is a “participating party” within the meaning of the Act.

Section 2. Pursuant to the Act, revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds (Poso Creek Family Dairy, LLC Project) Series 2025” (the “Bonds”), and with such further or such alternate designations as may be approved by the Executive Director or Deputy Executive Director of the Authority, in an aggregate principal amount not to exceed \$3,500,000, are hereby authorized to be issued. The Bonds may be issued at one time, or from time to time, in one or more series or subseries separately or differently identified, and may be issued in a tax-exempt or taxable mode, all in accordance with the Indenture (as hereinafter defined) as finally executed. The proceeds of the Bonds shall be used to make a loan to the Borrower to finance and/or refinance the Project (including without limitation, reimbursing the Borrower for qualifying costs incurred for the Project prior to the issuance of the Bonds) and to pay certain costs of issuance of the Bonds.

Section 3. The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Bonds, at one time or from time to time on or before December 31, 2025, by negotiated sale, at such price or prices and at such interest rate or rates as the Treasurer may determine, such determination to be as set forth in the hereinafter referred to Bond Purchase Agreement.

Section 4. The following documents:

(i) a Loan Agreement relating to the Bonds (the “Loan Agreement”), between the Authority and the Borrower;

(ii) an Indenture relating to the Bonds (the “Indenture”), between the Authority and the trustee named in the Term Sheet (the “Trustee”);

(iii) a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Authority, the Treasurer, as agent for sale on behalf of the Authority, and the underwriter named in the Term Sheet (the “Underwriter”), and the Borrower; and

(iv) an Official Statement relating to the Bonds (in the form of either the “Preliminary Official Statement” or the final “Official Statement”).

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein (including insertions, deletions or changes therein appropriate to reflect changes required by the rating agencies or potential investors) in substantial conformance with the Term Sheet as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Loan

Agreement, the Indenture and the Bond Purchase Agreement, and by delivery thereof in the case of the Preliminary Official Statement or the Official Statement.

Section 5. Any modification to the Project made prior to the issuance of the Bonds shall be reported to the Executive Director of the Authority, and such modification shall be subject to further approval by the Authority.

Section 6. Any material changes to the Bonds sale structure prior to the issuance of the Bonds are subject to further approval by the Authority.

Section 7. The Authority understands and agrees that pursuant to the terms of the Loan Agreement the obligations of the Borrower may, under some circumstances, be carried out or assumed by a successor or assignee entity or by Affiliates of such Borrower. For purposes of this Resolution, an “Affiliate” of the Borrower means any person or entity which meets the definition of “Participating Party” in the Act and controls, is controlled by, or is under common control with, the Borrower, 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 8. The dates, maturity dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 9. The Underwriter is hereby authorized to distribute the Preliminary Official Statement as finally executed to persons who may be interested in the purchase of the Bonds. The Underwriter is hereby directed to deliver (in a manner that complies with Securities and Exchange Commission rule 15c2-12(b)(3)) a copy of the Official Statement to all actual purchasers of the Bonds.

Section 10. The Bonds shall be executed by the manual or facsimile signature of the Chair or any Deputy to the Chair and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the form set forth in and otherwise in accordance with the Indenture. The Bonds, when executed, shall be delivered to the Trustee under the Indenture for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s certificates of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to The Depository Trust Company, New York, New York, on behalf of the Underwriter in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Bonds to The Depository Trust Company, on behalf of the Underwriter thereof, upon payment of the purchase price thereof.

Section 11. The Authority hereby dedicates and confirms the Allocation to the Bonds of \$3,500,000 from the Allocation to be received from CDLAC, if approved, to finance or refinance certain costs of the Project and to pay certain costs of issuance of

the Bonds, so as to satisfy the requirements of Section 146(e) of the Internal Revenue Code of 1986, with respect to the Bonds. The Allocation shall automatically revert to CDLAC unless the Authority has executed Bonds on behalf of the Borrower within one hundred eighty (180) days of the transfer of the Allocation. The Executive Director of CDLAC may approve an extension of up to ninety (90) days, which approval shall not be unreasonably withheld. This extension will result in a forfeiture of the Project's performance deposit to the extent that the performance deposit has not been previously forfeited. The Authority shall return any unused Allocation to CDLAC.

Section 12. Each officer of the Authority, acting alone, is hereby authorized and directed, to do any and all ministerial acts that the officer may deem necessary or advisable in order to consummate the issuance, sale or delivery of the Bonds, and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement, the Bond Purchase Agreement and the Official Statement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, without limitation, a tax certificate or tax agreement in the form required by bond counsel to the Authority.

Section 13. The provisions of the resolution of the Authority entitled "Resolution of the California Pollution Control Financing Authority Delegating Certain Powers and Authorizing Certain Actions Related to Bond Financings" adopted by the Authority on January 21, 2025 (the "Delegation Resolution"), apply to the documents and actions approved in this Resolution, and the provisions of the Delegation Resolution are incorporated herein by reference. This Section 13 shall be deemed to refer to and incorporate any resolution of a similar nature adopted hereafter by the Authority that replaces or supersedes the Delegation Resolution.

Section 14. The provisions of the Initial Resolution No. 25-02, approved by the Executive Director of the Authority, on behalf of the Authority, on April 9, 2025, pursuant to the Executive Director's delegation authority, apply to the documents and actions approved in this Resolution, and the provisions of such resolution are incorporated herein by reference.

Section 15. The Certification of Compliance II or equivalent form must be submitted by the Borrower to the Authority by February 1 annually, until the Project's certificate of completion has been submitted to the Authority, as provided in the Loan Agreement. These forms may be found at this website location: <http://www.treasurer.ca.gov/cdlac>. Failure to demonstrate compliance may result in the disqualification from future allocations of the State Ceiling on Qualified Private Activity Bonds.

Section 16. The Loan Agreement, the Indenture and the Bond Purchase Agreement expressly provide that CDLAC is a third-party beneficiary of the terms and conditions set forth in CDLAC's Resolution. Once the Bonds are executed and delivered, the terms and conditions set forth in CDLAC's Resolution shall be enforceable by CDLAC through an action for specific performance or any other available remedy.

Section 17. The Authority hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code, including DocuSign.

Section 18. The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

Section 19. This Resolution shall take effect immediately upon its passage. The adoption by the Authority of this Resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

EXHIBIT A

TERM SHEET

Name of Issue: California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds (Poso Creek Family Dairy, LLC Project) Series 2025 (the "Bonds")

Maximum Amount of Issue: \$3,500,000 (tax-exempt)

Issuer: California Pollution Control Financing Authority (the "Authority")
Sacramento, CA

Borrower: Poso Creek Family Dairy, LLC

Trustee: BOKF, NA

Underwriter: The Frazer Lanier Company, Incorporated

Remarketing Agent: The Frazer Lanier Company, Incorporated

Bond Counsel: Orrick, Herrington & Sutcliffe LLP
San Francisco, CA

Project: The Project consists of the financing of the costs of construction and equipping of solid waste facilities, for a heifer facility located at 13437 Gun Club Road in Wasco, California

Maximum Bond Term: Not to exceed 30 years

Type of Sale: Negotiated sale

Description of Minimum Denominations: \$100,000 or any integral multiple of \$5,000 in excess of \$100,000

Financing Structure: Variable Rate Demand Solid Waste Disposal Revenue Bonds initially enhanced by an Irrevocable Letter of Credit and confirmed by a confirming irrevocable direct pay letter of credit; Weekly variable rate bonds convertible to term interest rate,

or other weekly variable rate with tender option pursuant to the Indenture

Maximum Interest Rate:

Lesser of 10% or the maximum rate permitted by law

Letter of Credit:

AgTexas Farm Credit Services

Other Credit Enhancement:

Farm Credit Bank of Texas

Anticipated Bond Rating:

A+/F1+ (Fitch)

Type of Financing:

Solid waste revenue bonds

Prepared by:

Jason Grubbs, The Frazer Lanier Company, Incorporated, (205) 807-6912

**RESOLUTION OF THE CALIFORNIA
POLLUTION CONTROL FINANCING AUTHORITY
RELATING TO ASSISTANCE FROM THE SMALL
BUSINESS ASSISTANCE FUND FOR
POSO CREEK FAMILY DAIRY, LLC AND/OR ITS AFFILIATES**

September 23, 2025

WHEREAS, the California Pollution Control Financing Authority (the “Authority”) has reviewed the application of Poso Creek Family Dairy, LLC (the “Borrower”) for financial assistance to finance the construction and equipping of solid waste collection and processing facilities and associated offices, for a heifer facility located in Wasco, California (including without limitation reimbursing to the Borrower certain costs incurred for the Project as described in Application No. 973(SB) of the Borrower) (the “Project”) and has adopted its Resolution No. 25-01-627 (the “Final Resolution”) authorizing the issuance of revenue bonds to provide such financial assistance; and

WHEREAS, the Authority has established the Small Business Assistance Fund (the “Fund”) to assist small businesses to obtain pollution control financing through the issuance of tax-exempt revenue bonds (the “Bonds”); and

WHEREAS, the Authority has received and accepted an application from the Borrower for assistance from the Fund; and

WHEREAS, authorization of assistance from the Fund is now sought;

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

Section 1. The Borrower (as defined in the Final Resolution) is a “Small Business” as classified pursuant to Title 13 Code of Federal Regulations, Part 121, Subpart A (1-1-94 edition) or it has 500 employees or less, and is otherwise eligible for assistance from the Fund.

Section 2. The Project constitutes a “project” within the meaning of the California Pollution Control Financing Authority Act (Division 27 (commencing with Section 44500) of the Health and Safety Code).

Section 3. The Authority hereby authorizes and approves up to \$186,000 of assistance from the Fund to the Borrower to be used for payment of certain costs of issuance of the Bonds. The actual amount of assistance shall be determined by the Executive Director of the Authority based upon the final terms of the sale of the Bonds.

Section 4. The Executive Director of the Authority is hereby authorized and directed, acting alone, to do any and all ministerial acts and to execute and deliver a contract for financial assistance with the Borrower in conformance with the terms of this resolution, which the Executive Director of the may deem necessary or advisable in order

to provide the assistance from the Fund and otherwise to effect the purposes of this resolution.

Section 5. This resolution shall take effect immediately upon adoption hereof. The adoption by the Authority of this resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.