

**MINUTES OF THE
CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK**

For the special meeting held on
Monday, March 17, 2025, at 9:00 a.m.

IBank's meeting was held in-person and remotely and was accessible and open to the public with both in-person and virtual participation via teleconference for board members, staff, borrowers and general public.

Chair Dee Dee Myers, Director of the Governor's Office of Business and Economic Development, welcomed everyone to the special meeting of the IBank Board.

1. Call to Order and Roll Call

Chair Myers then called the special meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 9:00 a.m.

The following Board members attended:

Chair Dee Dee Myers, Director of the Governor's Office of Business and Economic Development,
Michele Perrault, for the Department of Finance,
Carlos Quant, for the California State Transportation Agency, and
Marc Steinorth as Governor's Appointee.

The following Board member was absent:

Fiona Ma, State Treasurer.

IBank staff members in attendance:

Angel Lau, Bryan Fairman, Jaymie Lutz, and Scott Wu.

Chair Myers explained that the special meeting was being held pursuant to the requirements under the Bagley-Keene Open Meeting Act and would be comprised of an open and a closed session. She provided that for the open session, the Board would discuss Resolution 25-05, requesting that the Board make a finding that would allow the IBank Board to hold a special meeting pursuant to Government Code Section 11125.

Action Item

- 2. Resolution No. 25-05 request for the Board to make a finding on the record that due to the immediate action required by potential litigation, a special meeting is warranted pursuant to Gov. Code, § 11125.4, subd. (c), as protecting the public interest calls for immediate action.**

Bryan Fairman, Senior Staff Counsel, introduced Resolution 25-05.

He began by advising that to hold a special session of the IBank Board on shortened notice, California Government Code, Section 11125.4(c) requires that the Board must make a finding that the delay necessitated by providing notice ten days prior to a Board meeting as required by the Bagley-Keene Open Meeting Act would cause a substantial hardship or that immediate action is required to protect the public interest.

Mr. Fairman then outlined the circumstances that gave rise to the need to hold a special session of the Board. He explained that over \$446 million which IBank had been awarded

through a subgrant under U.S. EPA's National Clean Investment Fund were held in an account at Citibank pursuant to an account control agreement. The account control agreement was required by the subgrant agreement IBank entered into with the Coalition for Green Capital ("CGC"), the prime grant recipient.

He then explained that on February 18, 2025, Citibank failed to abide by the terms of account control agreement by freezing IBank's account and restricting IBank's access to the proceeds of the subgrant. He informed the Board that on March 12, 2025, the EPA issued a Notice of Termination to CGC, purporting to terminate the grant agreement, an in response CGC had filed a lawsuit against Citibank and the U.S. EPA.

Mr. Fairman explained that these events prompted IBank staff to provide each Board member a notice that a special meeting of the IBank Board was to take place on March 17, 2025, concerning potential litigation. He noted that on March 14, 2025, CGC filed a motion for a temporary restraining order to prevent the EPA from ordering, and Citibank from carrying out, any action to claw back funds held in the Citibank accounts.

Mr. Fairman expressed that it was the opinions of IBank's General Counsel and the California Attorney General's Office, in its capacity as IBank's counsel in matters relating to the subgrant and the subgrant agreement, due to the immediate actions required by any potential litigation, a special meeting was warranted pursuant to California Government Code Section 11125.4(c) to protect the public interest as any delay may cause the State of California to lose over \$446 million in federal grant funds dedicated to activities with substantial public impacts, such as job creation in and economics benefits to local communities, and greater and faster reductions in emissions of greenhouse gases.

Mr. Fairman stated that it was IBank counsel's recommendation that the Board adopt Resolution 25-05 and make a finding that the delay necessitated by providing notice ten days prior to a Board meeting as required by California Government Code Section 11125.4(c) would cause impending harm and immediate action was required to protect the public interest.

Chair Myers thanked Mr. Fairman for his report. She then asked if the Board had any questions or comments. The Board had none.

Chair Myers then asked for any public comment. Hearing none, Mr. Steinorth moved for approval of the resolution and Ms. Perrault seconded. The Board voted unanimously to pass Resolution 25-05.

Chair Myers explained that the next matter for discussion was a conference with legal counsel on potential litigation concerning a dispute relating to the US EPA's National Clean Investment Fund grant award during a closed session authorized by California Government Code Section 11126(e)(1). Recording was suspended and a closed session of the Board was held with members of the Board, IBank's counsel and essential IBank staff.

Upon completion of the closed session, Chair Myers reconvened the meeting into open session and stated that during the closed session the Board discussed potential litigation and passed Resolution 25-06 delegating authority to the Executive Director to act on behalf of IBank relating to the EPA's National Clean Investment Fund subgrant.

Public Comment and Adjournment

Chair Myers asked for a final public comment and heard none.

Chair Myers declared the meeting adjourned at approximately 10:20 a.m.