

RESOLUTION NO. 19-30

RESOLUTION OF THE BOARD OF EDUCATION OF THE NAPA VALLEY UNIFIED SCHOOL DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE AND DELIVERY OF A LEASE/PURCHASE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Napa Valley Unified School District (the “District”) is a unified school district duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”); and

WHEREAS, the District desires to finance certain various equipment purchases (the “Project”); and

WHEREAS, in order to finance the Project, the District will lease certain real property, known as Napa Junction Magnet School, and improvements thereto (the “Property”), to the Public Property Financing Corporation of California, a nonprofit public benefit corporation organized and existing under the laws of the State (the “Corporation”) pursuant to a Site Lease (the “Site Lease”) and lease the Property back from the Corporation pursuant to a Lease/Purchase Agreement (the “Lease/Purchase Agreement”);

WHEREAS, pursuant to Section 17150.1(a) of the California Education Code (the “Education Code”), the District provided at least 30-days’ notice to the Napa County Office of Education and Napa County Auditor-Controller of the District’s intention to authorize the execution and delivery of the Lease/Purchase Agreement; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided; and

NOW, THEREFORE, it is resolved by the Board of Education (the “Board”) of the Napa Valley Unified School District as follows:

SECTION 1. Findings. The Board hereby specifically finds and declares that the actions authorized hereby constitute and are true and correct with respect to the public affairs of the District, and that the statements, findings and determinations of the District set forth in the preambles of the documents approved herein are true and correct, and the Board hereby declares its intention of entering into the Lease/Purchase Agreement described in Section 3 hereof.

SECTION 2. Authorization of Lease/Purchase Agreement. The Board hereby expresses its intention to finance the Project through the preparation, sale and delivery of the Lease/Purchase Agreement in an amount not to exceed \$3,000,000.

SECTION 3. Legal Documents. The form of the Lease/Purchase Agreement between the District and the Corporation, dated as of June 1, 2019, and on file with the Secretary to the Board (the “Secretary”) is hereby approved. The form of the Site Lease, dated as of June 1, 2019, between the

Corporation and the District, and on file with the Secretary, is hereby approved. The form of the Solicitor/Placement Agent Agreement between the District and RBC Capital Markets, LLC as Placement Agent, on file with the Secretary, is hereby approved. The President of the Board of Education, the Superintendent, and the Assistant Superintendent of Business Services, or such other officer of the District as the Superintendent or Assistant Superintendent of Business Services may designate (collectively, the "Authorized Officers") each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver each of the above mentioned documents in substantially said form, with such changes therein as such officer or person or persons may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The approval of the Lease/Purchase Agreement is subject to the limitation that the interest rate with respect to the Lease/Purchase Agreement shall not exceed the maximum allowable by law and the aggregate principal amount of the Lease/Purchase Agreement does not exceed \$3,000,000.

SECTION 4. Appointment of Special Counsel, Financial Advisor and Placement Agent. The Board hereby approves the appointment of Stradling Yocca Carlson & Rauth, a Professional Corporation, as special counsel to the District with respect to the sale of the Lease/Purchase Agreement, KNN Public Finance as Financial Advisor and RBC Capital Markets, LLC as Placement Agent with respect to the sale of the Lease/Purchase Agreement. The Authorized Officers are authorized to execute contracts with respect to such services so long as any payment thereunder is contingent upon the successful sale of the Lease/Purchase Agreement.

SECTION 5. Attestations. The Secretary to the Board or persons as may have been designated by the Superintendent are hereby authorized and directed to attest the signature of the Authorized Officers or of such other person or persons as may have been designated by the Superintendent, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Lease/Purchase Agreement.

SECTION 6. Other Actions. (a) The Authorized Officers and officials and officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the sale, execution and delivery of the Lease/Purchase Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution and the Lease/Purchase Agreement, including executing such lending proposals as may be solicited on behalf of the District by the Placement Agent. Such officers or designees are further authorized and directed to provide to the Napa County Superintendent of Schools any additional information required by Section 17150.1(a) of the Education Code. Such actions as described in this Section 6 heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

(b) Based on a good faith estimate from the Placement Agent, the District finds that (i) the True Interest Cost of the Lease/Purchase Agreement (as defined in Government Code Section 5852.1) is expected to be approximately 2.99%, (ii) the total Finance Charge of the Lease/Purchase Agreement (as defined in Government Code Section 5852.1) is expected to be \$120,000.00, (iii) the total proceeds expected to be received by the District from the sale of the Lease/Purchase Agreement, less the Finance Charge of the Lease/Purchase Agreement and any reserves or capitalized interest paid or funded with proceeds of the Lease/Purchase Agreement, is \$2,585,354.00, and (iv) the District expects that the Total Payment Amount (as defined in Government Code Section 5852.1), calculated to the final maturity of the Lease/Purchase Agreement, will be \$3,000,478.50. The information presented in this Section 6(b) is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any provision of this Resolution.

SECTION 7. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

SECTION 8. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 13th day of June, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

President, Board of Education
Napa Valley Unified School District

Attest:

Secretary to the Board of Education
Napa Valley Unified School District

SECRETARY'S CERTIFICATE

I, Rosanna Mucetti, Ed.D., Secretary to the Board of Education of the Napa Valley Unified School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on June 13, 2019, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: June __, 2019

Secretary