

**BOARD OF TRUSTEES
OF THE
LAKE TAHOE COMMUNITY COLLEGE DISTRICT
COUNTY OF EL DORADO, STATE OF CALIFORNIA**

Resolution Number 7 – 2017/2018

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$15,500,000 OF GENERAL OBLIGATION BONDS OF THE LAKE TAHOE COMMUNITY COLLEGE DISTRICT BY NEGOTIATED SALE; PRESCRIBING THE TERMS OF SAID BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT, A PAYING AGENT AGREEMENT, AN OFFICIAL STATEMENT RELATING TO SAID BONDS, A CONTINUING DISCLOSURE CERTIFICATE, AND TAX COMPLIANCE AND CONTINUING DISCLOSURE COMPLIANCE GUIDELINES; AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES AND DOCUMENTS RELATING TO SAID BONDS AND THE TAKING OF CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, this Board of Trustees of Lake Tahoe Community College District (the "District"), located in the County of El Dorado, California (the "County"), duly called an election, and an election was regularly held, in the District on November 4, 2014, for a bond measure known locally as Measure F, at which election a proposition summarized as follows was submitted to the electors of the District:

"To upgrade college facilities that prepare local students for jobs and university transfer by modernizing academic and job-training classrooms, science labs, and facilities, expanding access to university courses, creating a Public Safety Training Center, modernizing technology, improving safety and energy efficiency, and improving facilities, sites and equipment, shall Lake Tahoe Community College District issue \$55,000,000 in bonds, at legal rates, with independent oversight, annual audits, no money for administrators' salaries, and all funds dedicated to Lake Tahoe Community College?"

and

WHEREAS, as required by the laws under which such election was conducted, at least 55% of the votes cast on said proposition were in favor of issuing said bonds, and the proposition was declared approved; and

WHEREAS, the District has issued its "Lake Tahoe Community College District 2015 General Obligation Bonds, Election of 2014, Series A" in the aggregate principal amount of \$19,000,000; and

WHEREAS, a community college district is authorized by Sections 53506 *et seq.* of the Government Code of the State of California (the "Government Code") to issue and sell its bonds at public or private sale; and

WHEREAS, this Board of Trustees of the District (the "Board of Trustees") deems it necessary and desirable to authorize the sale of said bonds by a negotiated (or private) sale to Morgan Stanley & Co. LLC (the "Underwriter") pursuant to one or more Bond Purchase Contracts (each, a "Bond Purchase Contract"), and pursuant to Section 15146 of the Education Code of the State of California (the "Education Code"), has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of said bonds, (2) provide more flexibility in the debt structure; (3) allow the District to work with participants familiar with the District; and (4) increase the opportunity to pre-market such bonds for sale to local residents and other investors; and

WHEREAS, Section 53508.7 of the Government Code provides that a private sale is limited to bonds sold pursuant to Sections 15140 or 15146 of the Education Code; and

WHEREAS, in accordance with Section 15146 of the Education Code, estimates of the costs associated with the issuance of said bonds are attached hereto as Exhibit A; and

WHEREAS, Section 15140(b) of the Education Code provides that the board of supervisors of a county may authorize the Board of Trustees of a community college district over which the county superintendent of schools has jurisdiction to issue and sell its own bonds without the further action of the board of supervisors or officers of the county if said community college district has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, the Superintendent of Schools of the County has jurisdiction over the District; and

WHEREAS, in accordance with Section 15140(b), the District hereby requests that the County adopt a resolution permitting the District to sell bonds on its own behalf; and

WHEREAS, Orrick, Herrington & Sutcliffe LLP serves as bond counsel and disclosure counsel to the District ("Bond Counsel") and will serve in such capacities in connection with the bonds authorized hereby; and

WHEREAS, KNN Public Finance, LLC, serves as municipal advisor (the "Municipal Advisor") to the District and will serve in such capacity in connection with the bonds authorized hereby; and

WHEREAS, the Board of Trustees recognizes that Senate Bill No. 222 (Chapter 78, Statutes of 2015), which provides for a statutory lien to secure repayment of general obligation bonds, was passed by the legislature and approved by the Governor of the State of California (the "Governor") and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Bonds is intended to be a consensual agreement with the bondholders; and

WHEREAS, Senate Bill 1029 (“SB1029”) was signed by the Governor on September 12, 2016 and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements, the Bonds will be issued in compliance with the adopted debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, there have been submitted and are on file with the Secretary of the Board of Trustees proposed forms of a Bond Purchase Contract; the Preliminary Official Statement describing said bonds; a Continuing Disclosure Certificate; Tax Compliance and Continuing Disclosure Compliance Guidelines; and a Paying Agent Agreement, providing for the terms of issuance and repayment of the bonds; and

WHEREAS, the District desires that the County Auditor-Controller annually establish tax rates on taxable property within the District for repayment of said bonds, pursuant to Sections 29100 through 29103 of the Government Code, and that the County Board of Supervisors annually approve the levy of such tax, and that the Treasurer-Tax Collector of the County (the “County Treasurer”) annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the bonds when due, all pursuant to Sections 15250 and 15251 of the Education Code;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE LAKE TAHOE COMMUNITY COLLEGE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authority for Issuance. The Bonds (defined herein) are hereby authorized to be issued pursuant to Section 15140 *et seq.* of the Education Code, and other applicable provisions of law, and shall be issued in an aggregate principal amount not to exceed \$15,500,000.

Section 3. Designation of Bonds. The bonds shall be sold in one or more series, to be provisionally designated the “Lake Tahoe Community College District 2018 General Obligation Bonds, Election of 2014, Series B” (herein called the “Bonds”), with such additional designations as may be necessary to distinguish between Bonds of different payment mechanisms or features, as authorized hereby.

Section 4. Method of Sale of Bonds. (a) Authority to Sell Bonds by Negotiated Sale. The Bonds or any portion thereof shall be sold by negotiated sale to the Underwriter. The Board of Supervisors of the County has been requested to authorize the District to sell its Bonds at a negotiated sale pursuant to Sections 15140(b) and 15146 of the Education Code without further action by the Board of Supervisors or officers of the County. No Bonds shall be sold by the District until such authorization is granted.

(b) Negotiated Sale of Bonds; Bond Purchase Contract. The Superintendent/President, Vice President of Administrative Services or such other officer of the District designated for the purpose (each an “Authorized District Representative”), is hereby authorized, upon consultation

with the Municipal Advisor, to sell the Bonds to the Underwriter on terms consistent with this Resolution. The Bond Purchase Contract, in substantially the form on file with the Secretary of the Board of Trustees, is hereby approved, and the Authorized District Representative is hereby authorized and directed to execute and deliver one or more Bond Purchase Contracts to the Underwriter, subject to such changes or revisions therein as may be acceptable to the Authorized District Representative, and the District's approval of all such changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Contract. The Bond Purchase Contract shall provide: (i) that the aggregate purchase price of the Bonds sold thereunder shall be no less than the principal amount of such Bonds; (ii) that the Underwriter's discount shall not exceed 0.5% of the aggregate principal amount of the Bonds sold; and (iii) that the Bonds sold thereunder shall otherwise conform to the limitations specified in this Resolution, including specifically those terms prescribed by Section 5 hereof.

Section 5. Terms of the Bonds and Interest Payment. The Bonds shall be issued in the form of current interest bonds as provided in this Section.

(a) Maturity. No Bond shall mature prior to August 1, 2018, nor later than August 1, 2048.

(b) Maximum Rate of Interest. The Bonds shall bear interest or accrue in value at a nominal annual rate not to exceed the statutory limit of 8.0% per year, and shall yield no more than such limit per year to maturity.

(c) The maximum true interest cost for the Bonds shall not be in excess of 6.0% or the legal maximum, whichever is lower.

(d) The Bonds shall bear interest computed on the basis of a 360-day year of twelve 30-day months payable on such initial and periodic interest payment dates as shall be set forth in the Bond Purchase Contract or other sale document, until maturity or prior redemption.

(e) Recital of Terms of Bonds. The Bond Purchase Contract shall recite the terms of the Bonds sold under such document in accordance with this Section as determined in the sale thereof, and such terms shall be memorialized in the Paying Agent Agreement described in Section 7 hereof.

Section 6. Tax Treatment of Bonds. All or any portion of the Bonds may be issued as exempt from federal income tax, as the Authorized District Representative shall determine upon consultation with the Municipal Advisor, and according to the terms and conditions Bond Council to the District shall advise are appropriate to and necessary for the issuance of tax-exempt bonds.

Section 7. Approval of Paying Agent Agreement. The Paying Agent Agreement relating to the Bonds between the District and the Paying Agent, who shall be selected by the Board of Trustees to act as an agent of the County Treasurer as paying agent, registrar and transfer agent with respect to bonds of the District (the "Paying Agent"), in substantially the form on file with the Secretary of the Board of Trustees, including the form of Bonds included therein, is hereby approved. The Authorized District Representative is hereby authorized to execute and deliver one or more instruments in substantially said form, completed with the terms of the Bonds determined upon the sale thereof, and with such other changes thereto as the Authorized District

Representative may require or approve, and the District's approval of the Paying Agent Agreement shall be conclusively evidenced by the execution and delivery thereof.

Section 8. Approval of Official Statement. The Official Statement relating to the Bonds, in substantially the form on file with the Secretary of the Board of Trustees, is hereby approved with such changes, additions and corrections as the Authorized District Representative may hereafter approve. The Authorized District Representative is hereby authorized to certify on behalf of the District that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). The Underwriter is hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Bonds. The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and the Underwriter is hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Bonds. The Authorized District Representative is authorized to deliver one or more Official Statements, as may be necessary or desirable.

Section 9. Approval of Continuing Disclosure Certificate. The Continuing Disclosure Certificate relating to the Bonds, in substantially the form on file with the Secretary of the Board of Trustees, is hereby approved. The Authorized District Representative, or the designee thereof, is hereby authorized on behalf of the District to execute and deliver one or more Continuing Disclosure Certificates in substantially said form, with such changes thereto as deemed necessary in order to permit the purchaser of the Bonds to comply with the requirements of Rule 15c2-12. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate as finally executed and delivered.

Section 10. Tax-Exempt Governmental Bonds Tax Compliance and Continuing Disclosure Compliance Guidelines. The form of instrument entitled "Tax-Exempt Governmental Bonds Tax Compliance and Continuing Disclosure Compliance Guidelines" (the "Compliance Guidelines"), in substantially the form submitted to this meeting, and made a part hereof as though set forth in full herein, is hereby approved. The Authorized District Representative is hereby authorized to make any changes therein as the Authorized District Representative may require. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Compliance Guidelines.

Section 11. Pledge of Tax Revenues. The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors for the payment of the Bonds and the outstanding bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof (for the purpose of this pledge, hereinafter collectively referred to as the "District Bonds") and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the District Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund of the District to secure the payment of the

District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act.

The pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other District Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

Section 12. Approval of Actions. The President of this Board of Trustees, the Secretary of the Board of Trustees, the Superintendent/President, the Vice President of Administrative Services, and any other officer of the District to whom authority is delegated by one of the named officers for the purposes of the Bonds, are hereby authorized and directed to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, certificates concerning the contents of Official Statements, representation letters to The Depository Trust Company, tax certificates and any other certificates proposed to be distributed in connection with the sale of the Bonds, and to enter into any agreements, including depository agreements, commitment letters and agreements with bond insurers, agreements providing for payment of the costs of issuing the Bonds, and any other agreements, letters, or representations, which any of them deem necessary or desirable to accomplish the transactions authorized herein. If in order to sell the Bonds in separate series, the District is required to prepare and deliver additional official statements, paying agent agreements, bond purchase agreements, official notices of sale, continuing disclosure certificates, or other authorized documents, preparation and delivery of such additional documents substantially in the forms presented herewith and subject to the terms set forth herein is hereby authorized. Actions of the Authorized District Representative heretofore taken to accomplish the purposes of this Resolution and consistent herewith are hereby ratified.

Section 13. Filing with County. The Authorized District Representative is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Bonds, and to file with the Auditor-Controller and with the County Treasurer a copy of this Resolution, and the schedule of amortization of the principal of and payment on the Bonds, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the Education Code and as the District's request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Bonds pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Bonds the principal, interest, and premium, if any, due on the Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and sinking fund pursuant to Section 15146 of the Education Code.

Section 14. Indemnification. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of a resolution by the County Board of Supervisors providing for the issuance and sale of the Bonds, or related to the proceedings for sale, award, issuance and delivery of the Bonds in accordance therewith and

herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 15. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 23rd day of January, 2018, by the following vote:

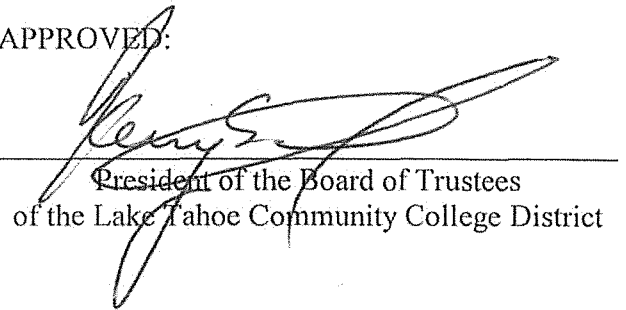
AYES: 5

NOES: 0

ABSTAIN: 0

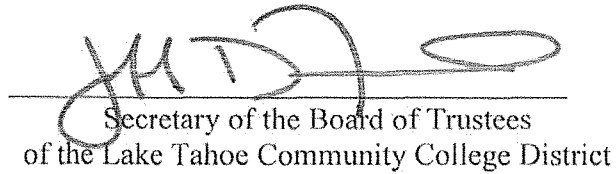
ABSENT: 0

APPROVED:



President of the Board of Trustees
of the Lake Tahoe Community College District

ATTEST:



Secretary of the Board of Trustees
of the Lake Tahoe Community College District

EXHIBIT A

ESTIMATES OF COSTS OF ISSUANCE

\$15,500,000*

LAKE TAHOE COMMUNITY COLLEGE DISTRICT
2018 GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES B

Costs Related to Bond Issuance*

Costs of Issuance	Consultant	Total
Bond and Disclosure Counsel Fees and Expenses	Orrick, Herrington & Sutcliffe LLP	\$62,500
Municipal Advisor Fees and Expenses	KNN Public Finance, LLC	47,000
Paying Agent	ZB, National Association	1,500
Rating	S&P Global Ratings	20,000
Rating	Moody's Investors Service	26,500
Demographic Reports	California Municipal Statistics, Inc.	1,400
Printing	Avia Communications	2,000
Contingency		3,600
Total Estimated Costs of Issuance		\$164,500

*Preliminary, subject to change.

SECRETARY'S CERTIFICATE

I, Secretary of the Board of Trustees (the "Board of Trustees") of the Lake Tahoe Community College District, County of El Dorado, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of said Board of Trustees of said District duly and regularly held at the regular meeting place thereof on January 23, 2018, and entered in the minutes thereof, of which meeting all of the members of said Board of Trustees had due notice and at which a quorum thereof was present, and said resolution was adopted by the following vote:

AYES: 5

NOES: 0

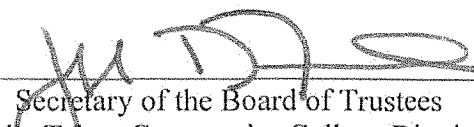
ABSTAIN: 0

ABSENT: 0

An agenda of said meeting was posted at least 72 hours before said meeting at One College Drive, South Lake Tahoe, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. 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.

WITNESS my hand this 23rd day of January, 2018.


Secretary of the Board of Trustees
Lake Tahoe Community College District