



RESOLUTION NO.

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO

RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS; APPROVING AND AUTHORIZING FORM AND SUBSTANCE OF FISCAL AGENT AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, AND BOND PURCHASE AGREEMENT; AND AUTHORIZING ADDITIONAL ACTIONS IN CONNECTION THEREWITH FOR COMMUNITY FACILITIES DISTRICT NO. 2018-1 (BASS LAKE HILLS)

WHEREAS, this Board has conducted proceedings under and pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311 of the California Government Code (the "Act"), to form Community Facilities District No. 2018-1 (Bass Lake Hills) (the "CFD"), and, for the CFD to authorize the levy of special taxes upon the land within the CFD, and to issue bonds secured by such special taxes the proceeds of which are to be used to finance certain public facilities (the "Facilities"), all as described in those proceedings; and

WHEREAS, in connection with forming the CFD this Board, as legislative body of the CFD, called for and held an election and authorized indebtedness to be incurred for the CFD in the maximum principal amount of not to exceed \$25,000,000, and this Board now desires to commence authorization of the issuance of a first series of the special tax bonds, to be designated "County of El Dorado Community Facilities District No. 2018-1 (Bass Lake Hills) Special Tax Bonds, Series 2019" (the "2019 Bonds") for the CFD to finance authorized facilities for the CFD; and

WHEREAS, there has been submitted to this Board the form of a Fiscal Agent Agreement described below providing for the issuance of the 2019 Bonds and the use of the proceeds of those bonds, and this Board with the aid of its staff, has reviewed the Fiscal Agent Agreement and found it to be in proper order and appropriate to be executed and delivered for the purpose intended; and

WHEREAS, all conditions, things and acts required to exist and to have been performed precedent to and with respect to the issuance of the bonds for the CFD and the levy of the special taxes or special assessments, as contemplated by this resolution and the Fiscal Agent Agreement referred to herein have happened and exist as required by the laws of the State of California, including the Act, and the actions to be performed in due time for the issuance of the 2019 Bonds conform in form and manner to the applicable laws of the State of California, including the Act; and

WHEREAS, the County proposes to sell the 2019 Bonds to Stifel, Nicolaus & Company, Incorporated (the "Underwriter") pursuant to the terms of a Bond Purchase Agreement by and between the County and the Underwriter, and the Underwriter proposes to offer the 2019 Bonds to the investing public by means of a Preliminary Official Statement which includes a form of continuing disclosure undertaking (the "Continuing Disclosure Undertaking") with respect to the 2019 Bonds, and this Board with the aid of its staff, has reviewed the Bond Purchase Agreement, Official Statement and Continuing Disclosure Undertaking and found each such document to be in proper order, and now desires to approve each such document and authorize related documents and actions in connection with the issuance and sale of the 2019 Bonds; and

WHEREAS, it appears that each of said documents and instruments which are now before this meeting is in appropriate form and is an appropriate document or instrument to be executed and delivered for the purpose intended; and

WHEREAS, the staff report accompanying this resolution contains the information that Government Code section 5852.1 requires the Board to obtain and disclose in a public meeting before authorizing the issuance of the 2019 Bonds; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the 2019 Bonds and the levy of the special taxes as contemplated by this resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

SECTION 1. Findings. This Board finds and determines that (i) it is prudent in the management and development of land in the County and the CFD to issue the 2019 Bonds to finance CFD authorized facilities and providing moneys for the construction and acquisition of improvements within the CFD, (ii) the 2019 Bonds and the CFD are substantially in compliance with the County's adopted Rules and Procedures of the Assessment and Community Facilities District Screening Committee, and (iii) the value of the real property within the CFD subject to the special tax to pay debt service on the 2019 Bonds, based on assessed values (as confirmed by a draft of an appraisal by an independent appraiser hired by the County for the purpose of determining such value), is expected to be at least three times the proposed principal amount of the 2019 Bonds proposed to be issued and secured by a special tax or special assessment levied pursuant to the Act on property within the CFD.

SECTION 2. Law Applicable. For the purposes of these proceedings in and for the CFD, the Act shall be the authority for the issuance of the 2019 Bonds designated "County of El Dorado, Community Facilities District No. 2018-1 (Bass Lake Hills), Special Tax Bonds, Series 2019".

SECTION 3. Bonds Authorized. Pursuant to the Act, this Resolution and the Fiscal Agent Agreement (as hereafter defined), the 2019 Bonds are hereby authorized to be issued on the earliest date from the date hereof as the Chief Administrative Officer, the Auditor-Controller, County Counsel or any other person duly authorized by the Board of Supervisors (each, an "Authorized Officer") determines appropriate. The 2019 Bonds shall be issued in an aggregate principal amount not to exceed \$13,000,000 and shall be secured solely by the special taxes of the CFD.

The 2019 Bonds shall be dated and executed in the forms, be in the principal amounts, denominations, mature, be payable at the place and in the priorities and bear interest at the rates as set forth in and otherwise as provided in the Fiscal Agent Agreement and the designated costs of issuing the 2019 Bonds (as defined in Section 53363.8 of the Act) shall not exceed the amount authorized therein.

The 2019 Bonds shall not be issued unless the value of the real property within the CFD subject to the special tax to pay debt service on the 2019 Bonds, based on assessed values or an appraisal by an independent appraiser hired by the County for the purpose of determining such value, is at least three times the proposed principal amount of the 2019 Bonds proposed to be issued and secured by a special tax or special assessment levied pursuant to the Act on property within the CFD.

SECTION 4. Fiscal Agent Agreement. The proposed form of the Fiscal Agent Agreement between the County and The Bank of New York Mellon Trust Company, N. A., as fiscal agent, (the "Fiscal Agent Agreement") with respect to the 2019 Bonds, in the form on file with the Board Clerk is hereby approved. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the 2019 Bonds shall be as provided in the Fiscal Agent Agreement as finally executed. The terms and provisions of the Fiscal Agent Agreement, as finally executed, are incorporated herein by reference as if fully set forth herein. The County Administrative Officer (including any person serving as Interim or Acting County Administrative Officer), the Auditor-Controller, County Counsel or any other person duly authorized by the Board of Supervisors or such other official of the

County as may be designated by any such official (each an “Authorized Officer”) are hereby separately authorized and directed to execute and deliver the Fiscal Agent Agreement in substantially the form on file with the Board Clerk, with such additions thereto or changes therein as are approved by the Authorized Officer upon consultation with County’s bond counsel, and including but not limited to such additions or changes as are necessary or advisable to permit the timely issuance, sale and delivery of the 2019 Bonds, provided, however, that no additions or changes shall authorize an aggregate principal amount of 2019 Bonds which would cause bonds issued for the CFD to be in excess of the authorized bond amount for the CFD. The approval of such additions or changes shall be conclusively evidenced by the execution and delivery of the documents and instruments herein specified by the Authorized Officer.

Upon completion of the sale thereof, the 2019 Bonds shall be prepared, executed and delivered to the Fiscal Agent for authentication, all in accordance with the terms of the Bond Purchase Agreement approved by this Board.

SECTION 5. Covenant to Foreclose. The County hereby covenants, for the benefit of the owners of the 2019 Bonds, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment of interest or principal of the 2019 Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

SECTION 6. Approval of Official Statement and Continuing Disclosure Undertaking. The Board hereby approves the preliminary Official Statement with respect to the 2019 Bonds, in substantially the form on file with the Board Clerk. Distribution of the preliminary Official Statement by the County and the Underwriter is hereby approved, and, prior to the distribution of the preliminary Official Statement, any Authorized Officer, acting alone or together with any other Authorized Officer, is authorized and directed, on behalf of the County, to deem the preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Authorized Officer executing the same, and such information permitted to be excluded from the preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the 2019 Bonds, and each Authorized Officer, each acting alone or together with any other Authorized Officer, is authorized and directed to execute and deliver the final Official Statement for and on behalf of the County, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter the Continuing Disclosure Undertaking in substantially the form on file with the Board Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same.

SECTION 7. Approval of Bond Purchase Agreement. The Board hereby approves the Bond Purchase Agreement in substantially the form on file with the Board Clerk. An Authorized Officer is hereby authorized and directed to execute the Bond Purchase Agreement in substantially the form on file with the Board Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same, upon consultation with the County’s bond counsel; provided, however, that no additions or changes shall: (a) authorize an aggregate principal amount of 2019 Bonds which would cause bonds issued for the District to be in excess of \$13,000,000; (b) result in a true interest cost exceeding 5.5%; or (c) result in an Underwriter’s discount in excess of 2.0% of the aggregate principal amount of the 2019 Bonds. Execution and delivery of the Bond Purchase Agreement by an Authorized Officer shall be conclusive evidence of the approval of such changes or additions.

SECTION 8. Bond Preparation and Delivery. Upon completion of the sale, the 2019 Bonds shall be prepared, executed, and delivered to the Fiscal Agent for authentication, all in accordance with the terms of the Bond Purchase Agreement approved by this Board.

SECTION 9. Negotiated Sale Authorized. The Board hereby finds and determines that a negotiated sale of the 2019 Bonds to the Underwriter as contemplated by the Bond Purchase Agreement will result in a lower overall cost to the County than would a competitively bid sale.

SECTION 10. Actions Authorized. All actions heretofore taken by the officers, employees and agents of the County with respect to the establishment of the CFD and the sale and issuance of the 2019 Bonds are hereby approved, confirmed and ratified, and the Authorized Officers of the County are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2019 Bonds and the use of the proceeds thereof in accordance with this resolution and the Fiscal Agent Agreement, and any certificate, agreement (including but not limited to an Acquisition and Disclosure Agreement(s) realting to the use of proceeds of the Bonds. All actions to be taken by a specified Authorized Officer as specified herein, may be taken by the Authorized Officer or any designee, with the same force and effect as if taken by such Authorized Officer. This Board hereby determines and directs to be made any reductions in the annual levy of special taxes for the CFD in a manner consistent with that prescribed in the Act as a result of the savings achieved through the issuance of the 2019 Bonds.

SECTION 11. Effectiveness. This resolution shall take effect from and after its adoption. Any previous resolutions in any way inconsistent with the provisions hereof in and for the issuance of the 2019 Bonds as herein described are hereby repealed.

SECTION 12. Certification. The Board Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original Resolutions.

SECTION 13. Effective. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of said Board, held the _____ day of _____, 20__, by the following vote of said Board:

Attest:
James S. Mitrisin
Clerk of the Board of Supervisors

Ayes:
Noes:
Absent:

By: _____
Deputy Clerk

Chair, Board of Supervisors