

RESOLUTION NO. 2017-_____

RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS AUTHORIZING THE EXECUTION SALE AND DELIVERY OF SERIES 2017 REFUNDING CERTIFICATES OF PARTICIPATION IN A PRINCIPAL AMOUNT NOT TO EXCEED \$90,000,000; APPROVING FORMS OF AND AUTHORIZING EXECUTION OF A LEASE AGREEMENT, A SITE LEASE, A TRUST AGREEMENT, AN ESCROW AGREEMENT AND A CERTIFICATE PURCHASE AGREEMENT; APPROVING FORM AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE SALE OF SERIES 2017 REFUNDING CERTIFICATES OF PARTICIPATION AND AUTHORIZING A REFUNDING OF THE CERTIFICATES OF PARTICIPATION; AUTHORIZING CERTAIN DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE SERIES 2017 CERTIFICATES AND THE REFUNDING OF THE 2007 CERTIFICATES; AND DELEGATING TO THE COUNTY ADMINISTRATOR OR HIS DESIGNEE AUTHORIZATION TO “DEEM FINAL” THE PRELIMINARY OFFICIAL STATEMENT, NEGOTIATE THE SALE OF CERTIFICATES OF PARTICIPATION, RETAIN SPECIAL COUNSEL AND DISCLOSURE COUNSEL, AND AUTHORIZE COUNTY OFFICIALS TO TAKE NECESSARY ACTIONS

Whereas, the County of Solano (herein called the “County”) is a political subdivision organized and existing under and by virtue of the laws of the State of California; and

Whereas, this Board of Supervisors has heretofore determined that the public interest, convenience and general welfare required that those certain facilities set forth in Exhibit A hereto, together with improvements thereon, should be leased for the use of the County (as specified in Exhibit A, the “Prior Leased Property”); and

Whereas, this Board of Supervisors now determines that the public interest, convenience and general welfare require that certain of the Prior Leased Property should be released from the leasehold interest, and that only those certain facilities set forth in Exhibit A hereto, together with improvements (as specified in Exhibit A, the “Leased Property”) should now be leased for the use of the County; and

Whereas, the Solano County Facilities Corporation, Inc. (herein called the “Corporation”) has been incorporated by the County for the specific and primary purpose of providing financial assistance to the County by leasing or subleasing improved or unimproved property to the County, and in connection therewith, financing or refinancing, acquiring, constructing or improving the property; and

Whereas, by its Articles of Incorporation and by its Bylaws no part of the net earnings, funds or assets of the Corporation shall inure to the benefit of any director thereof or any other person, firm or corporation, except the County; and

Whereas, this Board of Supervisors has determined that it would be in the best interests of the County to cause the execution and delivery of Series 2017 Refunding Certificates of Participation (the “2017 Certificates”) in a principal amount not to exceed \$90,000,000 to provide funds to refund and defease the County’s 2007 Refunding Certificates of Participation (the “2007 Certificates”); and

Whereas, the County proposes to have Union Bank, N.A., as trustee (the “Trustee”), execute and deliver the 2017 Certificates, in a principal amount not to exceed \$90,000,000 for the purpose, in part, of discharging the 2007 Certificates and the trust agreement relating thereto; and

Whereas, this Board of Supervisors has determined that it is to the best interest of the County and necessary and proper for public purposes to enter into a site lease entitled “Site Lease (Series 2017 Refunding Certificates of Participation),” tentatively dated as of September 1, 2017 (herein called the “Site Lease”) and a lease entitled “Lease Agreement (Series 2017 Refunding Certificates of Participation),” tentatively dated as of September 1, 2017 (herein called the “Lease”) with the Corporation; and

Whereas, under the Lease, the County would be obligated to make base rental payments to the Corporation for the lease of the Leased Property; and

Whereas, it is proposed that all rights to receive such base rental payments (together with the additional payments provided for in the Lease) will be assigned without recourse by the Corporation to the Trustee, pursuant to an agreement, entitled "Assignment Agreement," tentatively dated as of September 1, 2017 (herein called the "Assignment Agreement"); and

Whereas, it is further proposed that the Corporation, the County and the Trustee shall enter into an agreement, entitled "Trust Agreement," tentatively dated as of September 1, 2017 (herein called the "Trust Agreement"), pursuant to which the Trustee will execute and deliver the 2017 Certificates in an amount equal to the aggregate principal components of such base rental payments, each evidencing and representing a fractional undivided interest in such base rental payments, and will use the proceeds to refund and defease the 2007 Certificates; and

Whereas, it is further proposed that the County and the Trustee, as escrow agent (the "Escrow Agent"), shall enter into an agreement, entitled "Escrow Agreement," tentatively dated as of September 1, 2017 (herein called the "Escrow Agreement"), pursuant to which the Escrow Agent will refund and defease the 2007 Certificates; and

Whereas, it is further proposed that the Corporation and the County shall enter into an agreement entitled "Continuing Disclosure Agreement," dated as of the date of closing (herein called the "Continuing Disclosure Agreement"), executed and delivered by the County and the Corporation for the benefit of the Certificateholders and Beneficial Holders of the 2017 Certificates in order to assist Raymond James & Associates, Inc. (the "Underwriter") in complying with S.E.C. rule 15c2-12(b)(5); and

Whereas, a form of preliminary official statement describing the 2017 Certificates in base rental payments to be made by the County for the lease of the Leased Property and the form of Certificate Purchase Agreement, to be dated its date of execution, have been submitted to this Board of Supervisors; and

Whereas, this Board of Supervisors has been presented with the form of each document referred to herein, relating to such refunding, and the Board of Supervisors has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such refunding.

Resolved by the Board of Supervisors of the County of Solano, as follows:

SECTION 1. All of the recitals herein are true and correct and this Board of Supervisors so finds.

SECTION 2. The form of Site Lease, between the County and the Corporation, in substantially the form submitted to this Board of Supervisors, is approved. The Clerk of the Board of Supervisors is directed to file a copy of the Site Lease with the minutes of this meeting. Upon the sale of the 2017 Certificates, the Chairperson of the Board of Supervisors and the Clerk of the Board of Supervisors are authorized and directed to execute and deliver the Site Lease in substantially the form, with such additions thereto and changes therein as such officers executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. The form of Lease, from the Corporation to the County, in substantially the form submitted to this Board of Supervisors, is approved. The Clerk of the Board of Supervisors is directed to file a copy of the Lease with the minutes of this meeting. Upon the sale of the 2017 Certificates, the Chairperson of the Board of Supervisors and the Clerk of the Board of Supervisors are authorized and directed to execute and deliver the Lease in substantially the form, with such additions thereto and changes therein as such officers executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 4. The form of Trust Agreement, by and among Union Bank, N.A., as trustee, the Corporation and the County, tentatively dated as of September 1, 2017, submitted to this Board of Supervisors, is approved and the Chairperson of the Board of Supervisors and the Clerk of the Board of Supervisors are authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Trust Agreement in substantially the form, with such additions thereto and changes therein as such officers executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Clerk of the Board of Supervisors is directed to file a copy of the proposed Trust Agreement with the minutes of this meeting.

SECTION 5. The form of Continuing Disclosure Agreement, by and between the Corporation and the County, dated as of the date of closing, submitted to this Board of Supervisors, is approved and the Chairperson of the Board of Supervisors and the Clerk of the Board of Supervisors are authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Continuing Disclosure Agreement in substantially the form, with such additions thereto and changes therein as such officers executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Clerk of the Board of Supervisors is directed to file a copy of the proposed Continuing Disclosure Agreement with the minutes of this meeting.

SECTION 6. The form of Escrow Agreement, by and between the Escrow Agent and the County, in substantially the form submitted to this Board of Supervisors, is approved and the Chairperson of the Board of Supervisors and the Clerk of the Board of Supervisors are authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Escrow Agreement in substantially the form, with such additions thereto and changes therein as such officers executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Clerk of the Board of Supervisors is directed to file a copy of the proposed Escrow Agreement with the minutes of this meeting

SECTION 7. The preliminary Official Statement describing the 2017 Certificates, in the form submitted to this Board of Supervisors, is approved. The County Administrator of the County is authorized and directed, at the time of the delivery of the 2017 Certificates, for and in the name and on behalf of the County, to execute a final Official Statement in substantially the form of the preliminary Official Statement submitted to this meeting, with such additions thereto or changes therein as County Counsel or Orrick, Herrington & Sutcliffe LLP may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The County Administrator of the County is authorized to certify on behalf of the County that the preliminary form of the Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain pricing, rating and related information as permitted by the Rule).

SECTION 8. The Underwriter is authorized to distribute copies of the preliminary Official Statement and final Official Statement to persons purchasing the 2017 Certificates and other interested parties.

SECTION 9. The form of agreement, entitled "Certificate Purchase Agreement," by and among the Underwriter, the County and the Corporation, in substantially the form submitted to this Board, is approved. The Clerk of the Board is directed to file a copy of such form of Certificate Purchase Agreement with the minutes of this meeting. The County Administrator of the County is authorized and directed to negotiate, with the Underwriter, interest rates represented by the 2017 Certificates and the price to be paid to the County for the 2017 Certificates, which shall not be less than the par value thereof less a discount of not to exceed three hundred twenty-five thousandths of one percent (0.325%) of the principal amount of the 2017 Certificates; provided that the County shall realize a net present value savings of not less than five percent (5.00%) of the principal amount evidenced by the 2007 Certificates as a result of refunding such 2007 Certificates. If such interest rate and price is acceptable to the County Administrator, such official is further authorized and directed to fill in the blanks therein and to execute and deliver the Certificate Purchase Agreement, substantially in the form presented to this meeting, with such additions, changes and corrections therein, including the determination of the aggregate

principal amount of the 2017 Certificates, which shall not exceed \$90,000,000, as the officer shall require or approve, such approval to be conclusively evidenced by the execution thereof.

SECTION 10. The execution and delivery of not to exceed \$90,000,000 aggregate principal amount of the 2017 Certificates, payable in the years and in the amounts with interest components with respect thereto as specified in the Trust Agreement as finally executed, is authorized and approved.

SECTION 11. The firm of Orrick, Herrington & Sutcliffe LLP be, and such firm is, appointed special counsel in the proceedings upon such terms and conditions that shall be acceptable to the County Administrator.

SECTION 12. The firm of Hawkins Delafield and Wood LLP be, and such firm is, appointed disclosure counsel in the proceedings upon such terms and conditions that shall be acceptable to the County Administrator.

SECTION 13. The officers of the County are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including the tax certificate, the letter of representations to the bond depository, insurance agreements and closing certificates, and make any necessary or advisable modifications to those documents which are acceptable to the County Counsel's Office and Orrick, Herrington & Sutcliffe LLP, and which they may deem necessary or advisable in order to consummate the sale, execution and delivery of the 2017 Certificates and otherwise to carry out, give effect to and comply with the terms and intent of this resolution.

SECTION 14. This resolution shall take effect from and after its date of adoption.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on August 8, 2017 by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

EXCUSED: SUPERVISORS _____

JOHN M. VASQUEZ, Chair
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk

EXHIBIT A

Prior Leased Property

All that certain real property situated in the County of Solano, State of California, described as follows:

<u>Land</u>	<u>Improvements</u>
APN 0030-251-020	County Administration Center and Parking Structure
APN 0030-291-130 APN 0030-291-140	Probation Department Building
APN 0030-295-140	Cogeneration Plant Expansion
APN 0030-330-070	Fairfield-Suisun Library Building Remodel

Leased Property

All that certain real property situated in the County of Solano, State of California, described as follows:

<u>Land</u>	<u>Improvements</u>
APN 0030-251-020	County Administration Center and Parking Structure

CLERK'S CERTIFICATE

I, Jeanette Neiger, Chief Deputy Clerk of the Board of Supervisors of the County of Solano, California, certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a meeting of the Board of Supervisors of the County duly and regularly held at the regular meeting place thereof on the 8th day of August, 2017, of which meeting all of the members of the Board of Supervisors had due notice and at which a majority thereof was present; and at the meeting the resolution was adopted by the following vote:

AYES:

NOES:

EXCUSED:

A copy of the agenda of the meeting was posted at least 24 hours prior to the date of the meeting at 675 Texas Street, Fairfield, California, a place freely accessible to members of the public, and a brief general description of the resolution appeared on the agenda.

I have carefully compared the same with the original minutes of the meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at the meeting and entered in the minutes; and the 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 _____ day of _____, 2017.

[SEAL]

Chief Deputy Clerk of the Board of Supervisors
County of Solano, State of California