

**PURISSIMA HILLS WATER DISTRICT**

**RESOLUTION NO. 2020-02**

**RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING DOCUMENTS TO FINANCE CERTAIN WATER SYSTEM IMPROVEMENTS AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the Board of Directors (the "Board") of the Purissima Hills Water District (the "District"):

WHEREAS, the District has determined to finance certain improvements to its water system consisting of (a) the Elena/Taaffe Road intertie (CIP 07-09), (b) the Taaffe Road water main replacement (CIP 11-03), (c) the Elena Road (North) water main replacement, (d) the Concepcion Road water main replacement (CIP 19-02) and (e) the Moody Road main replacement, and (f) re-grade, pave and improve Toyon Yard, construct a retaining wall at the main yard, and make other water infrastructure improvements (collectively, the "Project");

WHEREAS, it is in the public interest and for the public benefit that the District authorize and direct execution of the Installment Sale Agreement (hereinafter defined) and certain other documents in connection therewith;

WHEREAS, the District's obligation to make installment payments under the Installment Sale Agreement will be payable from a pledge of the net revenues of the District; and

WHEREAS, the documents specified below have been filed with the District and the members of the Board, with the aid of its staff, have reviewed said documents.

NOW, THEREFORE, the Board hereby DECLARES and ORDERS, as follows:

Section 1. Approval of the Project. The Board hereby approves the financing of the Project.

Section 2. Approval of the Documents. The below-enumerated documents be and are hereby approved, and the President of the Board and the General Manager, or the designee of either such official, is each hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, the execution thereof to be conclusive evidence of such approval, and the Secretary is hereby authorized and directed to attest to such official's signature:

(a) an installment sale agreement, by and between the Public Property Financing Corporation of California (the "Corporation"), as seller, and the District, as purchaser (the "Installment Sale Agreement"), pursuant to which the Corporation will sell the Project to the District, so long as the final payment date of the Installment Sale Agreement is not later than December 30, 2034, the principal amount of the Installment Sale Agreement is not greater than \$8,103,000, which includes payments to the consultants as described in Section 3 below and a \$3,500 fee to the Corporation, the maximum annual installment payments to be made by the

District under the Installment Sale Agreement is not greater than \$637,377.80, and the interest rate applicable thereto shall be 2.160% per annum, so long as no event or default or event of taxability shall have occurred; and

(b) a letter agreement for purchase, between Zions Bancorporation, N.A. (the "Purchaser") and the District, whereby the Purchaser agrees to acquire the rights of the Corporation to the installment payments to be made by the District under the Installment Sale Agreement.

Section 3. Consultants. The firm of Wulff, Hansen & Co. is hereby affirmed as municipal advisor to the District for the financing (the "Municipal Advisor"), the firm of Quint & Thimmig LLP is hereby affirmed as special legal counsel to the District for the financing ("Special Counsel") and the firm of Brandis Tallman LLC is hereby affirmed as placement agent to the District for the financing (the "Placement Agent"). Pursuant to Resolution 2019-08, the General Manager executed agreements with the Municipal Advisor in the amount of \$35,000, Special Counsel in the amount of \$40,000, and the Placement Agent in the amount of \$19,000 for their services related to the financing, each such agreement to be in the respective forms on file with the Secretary. This Resolution authorizes the financing and payment for these three agreements is contingent on the successful completion of the financing.

Section 4. Official Actions. The President of the Board, the General Manager, the Secretary, and all other appropriate officials of the District, are hereby authorized and directed to execute such other agreements, documents and certificates and to take such other actions as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 5. Effective Date. This Resolution shall take effect upon its adoption by the Board.

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I hereby certify that the foregoing resolution was duly adopted at a meeting of the Board of Directors of the Purissima Hills Water District held on the 15th day of January, 2020, by the following vote:

AYES, and in favor of, Board Members: Holtz, Solomon, Evans, and Jordan

NOES, Board Members: None

ABSENT, Board Members: Knopoff

By Raylene Collins  
Secretary

Ernest Solomon  
President of the Board  
Ernest Solomon