

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY AUTHORIZING THE EXECUTION AND DELIVERY BY THE COUNTY OF A GROUND LEASE, A LEASE AGREEMENT, A TRUST AGREEMENT, A CERTIFICATE PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT WITH RESPECT TO THE EXECUTION AND DELIVERY OF COUNTY OF MONTEREY CERTIFICATES OF PARTICIPATION (2015 PUBLIC FACILITIES FINANCING), AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH CERTIFICATES EVIDENCING PRINCIPAL IN AN AGGREGATE AMOUNT OF NOT TO EXCEED \$52,500,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

**WHEREAS**, the County of Monterey (the “County”) desires to finance a portion of the costs of the acquisition, construction, rehabilitation and installation of certain administration, court and court related facilities (the “Project”);

**WHEREAS**, in order to finance the Project, the County desires to lease certain real property owned by the County (the “Property”) to the County of Monterey Public Improvement Corporation (the “Corporation”) pursuant to a Ground Lease (such Ground Lease, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Ground Lease”);

**WHEREAS**, the County will sublease the Property back from the Corporation pursuant to a Lease Agreement (such Lease Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Lease Agreement”);

**WHEREAS**, the County and the Corporation have determined that it would be in the best interests of the County and the Corporation to provide the funds necessary to finance the Project through the execution and delivery, pursuant to a Trust Agreement (the “Trust Agreement”), by and among The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), the Corporation and the County, of County of Monterey Certificates of Participation (2015 Public Facilities Financing) (the “Certificates”) evidencing direct, fractional undivided interests in the base rental payments (the “Base Rental Payments”) to be made by the County under the Lease Agreement (such Trust Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Trust Agreement”);

**WHEREAS**, Barclays Capital Inc. (the “Underwriter”) has submitted to the County a proposal to purchase the Certificates in the form of a Certificate Purchase Agreement (such Certificate Purchase Agreement, in the form presented to this meeting, with such changes,

insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Certificate Purchase Agreement”);

**WHEREAS**, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Certificates, the underwriter thereof must have reasonably determined that the County has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Certificates to provide disclosure of certain financial information and certain enumerated events on an ongoing basis;

**WHEREAS**, in order to cause such requirement to be satisfied, the County desires to enter into a Continuing Disclosure Agreement with the Trustee (such Continuing Disclosure Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Continuing Disclosure Agreement”);

**WHEREAS**, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Certificates has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”);

**WHEREAS**, there have been prepared and submitted to this meeting forms of:

- (a) the Ground Lease;
- (b) the Lease Agreement;
- (c) the Trust Agreement;
- (d) the Certificate Purchase Agreement;
- (e) the Continuing Disclosure Agreement; and
- (f) the Preliminary Official Statement;

**WHEREAS**, all acts, conditions and things required by the Constitution and laws of the State of California 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 County 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;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of the County of Monterey, as follows:

**Section 1.** All of the recitals herein contained are true and correct and the Board of Supervisors of the County (the “Board”) so finds.

**Section 2.** The form of the Ground Lease, on file with the Clerk of the Board, is hereby approved. Each of the Chair of the Board, and any such other member of the Board as the Chair may designate, County Administrative Officer of the County, the Auditor-Controller of the County, the Treasurer of the County, the Deputy Auditor-Controller, County Debt Manager, of the County, and any such other officer of the County as such County Administrative Officer, Auditor-Controller or Treasurer may designate (the “Authorized Officers”), is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Ground Lease in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Ground Lease by such Authorized Officer.

**Section 3.** The form of the Lease Agreement, on file with the Clerk of the Board, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Lease Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Lease Agreement by such Authorized Officer; provided, however, that the aggregate amount of the principal components of the Base Rental Payments payable under the Lease Agreement shall not exceed \$52,500,000, the term of the Lease Agreement shall not exceed 30 years (provided that such term may be extended as provided therein) and the true interest cost applicable to the interest components of the Base Rental Payments payable under the Lease Agreement shall not exceed 6.00% per annum.

**Section 4.** The form of the Trust Agreement, on file with the Clerk of the Board, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Trust Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Trust Agreement by such Authorized Officer.

**Section 5.** The execution and delivery of Certificates evidencing principal in an aggregate amount not to exceed \$52,500,000, payable in the years and in the amounts, and evidencing interest as specified in the Trust Agreement as finally executed, are hereby authorized and approved.

**Section 6.** The form of the Certificate Purchase Agreement, on file with the Clerk of the Board, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Certificate Purchase Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the

Certificate Purchase Agreement by such Authorized Officer; provided, however, that the underwriter's discount for the sale of the Certificates shall not exceed 0.75% of the aggregate amount of principal evidenced by such Certificates.

**Section 7.** The form of Continuing Disclosure Agreement, on file with the Clerk of the Board, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Continuing Disclosure Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Agreement by such Authorized Officer.

**Section 8.** The form of Preliminary Official Statement, on file with the Clerk of the Board, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Certificates is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify in writing on behalf of the County that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

**Section 9.** The preparation and delivery of an Official Statement, and its use by the Underwriter in connection with the offering and sale of the Certificates, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the County, to execute the final Official Statement and any amendment or supplement thereto.

**Section 10.** The Authorized Officers and the officers and employees of the County are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 11.** All actions heretofore taken by the officers, employees and agents of the County with respect to the transactions set forth above are hereby approved, confirmed and ratified.

**Section 12.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of Monterey on July 28, 2015.

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Chair of the Board of Supervisors of the  
County of Monterey

(SEAL)

ATTEST:

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Clerk of the Board of Supervisors of the  
County of Monterey

**CERTIFICATE OF CLERK**

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, California, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Supervisors of the County of Monterey duly and regularly held at the regular meeting place thereof on July 28, 2015 of which meeting all of the members of said Board had due notice, and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I do hereby further certify that an agenda of said meeting was posted at least 72 hours before said meeting at 168 West Alisal Street, Salinas, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I do hereby further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

Dated: \_\_\_\_\_, 2015

Gail T. Borkowski, Clerk of the Board of Supervisors, County of Monterey, State of California

By \_\_\_\_\_  
Deputy

[SEAL]