

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

RESOLUTION NO. _____

Adopt a resolution:

Authorizing the execution and delivery by the County)
of certain lease financing documents with respect to)
Monterey County 2026 Certificates of Participation)
(Public Facilities Refinancing) in a principal amount)
not to exceed \$41,000,000, and authorizing execution)
of necessary documents and certificates and related actions...)

WHEREAS, pursuant to a Trust Agreement dated as of December 1, 2015, by and among the County of Monterey (the “County”), the County of Monterey Public Improvement Corporation (the “Corporation”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), the County caused the execution and delivery of certificates of participation captioned “\$48,440,000 County of Monterey Certificates of Participation (2015 Public Facilities Financing)” (the “2015 Certificates”);

WHEREAS, the 2015 Certificates are secured by leased payments made by the County under the Lease Agreement dated as of September 1, 2015 (the “2015 Lease Agreement”) by and between the County and the Corporation;

WHEREAS, the County desires to prepay lease payments to be made by the County under the 2015 Lease Agreement, and cause the concurrent defeasance and subsequent prepayment of the 2015 Certificates;

WHEREAS, in order to obtain funds to prepay the lease payments under the 2015 Lease Agreement, the County will lease certain real property and the improvements thereto, consisting generally of the portion of the Schilling Place Complex located at 1441 Schilling Place consisting of the South Building (the “Leased Property”), to the Corporation under a Site Lease (the “Site Lease”) by and between the County as lessor and the Corporation as lessee, and the Corporation has agreed to sublease the Leased Property back to the County pursuant to a Lease Agreement (the “Lease Agreement”) by and between the Corporation as sublessor and the County as sublessee;

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 prepay lease payments to be made by the County under the 2015 Lease Agreement through the execution and delivery, pursuant to a Trust Agreement (the “Trust Agreement”), by and among the Corporation, the County and the Trustee, of a series of certificates of participation captioned “County of Monterey 2026 Certificates of Participation (Public Facilities Refinancing)” (the “Certificates”) evidencing direct, fractional undivided interests in the base rental payments (the “Lease Payments”) to be made by the County under the Lease Agreement;

WHEREAS, the 2015 Certificates will be defeased and prepaid through a deposit of the net proceeds of the Certificates with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “Escrow Agent”), under an Escrow Agreement (the “Escrow Agreement”) by and among the County, the Corporation and the Escrow Agent;

WHEREAS, in accordance with Government Code Section 5852.1, the County has obtained and wishes to disclose the information set forth in Appendix A hereto;

WHEREAS, the Board of Supervisors (the “Board”) wishes at this time to authorize all proceedings relating to the execution, delivery and sale of the Certificates for the purpose of refinancing the 2015 Lease Agreement, the 2015 Certificates, and the obligations of the County with respect thereto;

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 as follows:

Section 1. Recitals. All of the recitals herein contained are true and correct and the Board so finds.

Section 2. Approval of Refinancing Plan. The Board hereby approves the refinancing plan as recited above for the purpose of providing funds to refinance the 2015 Lease Agreement and the 2015 Certificates; provided that the principal amount of the Certificates shall not exceed \$41,000,000.

Section 3. Approval of Refinancing Documents. The Board hereby authorizes and approves each of the following financing documents, in substantially the respective forms on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by an Authorized Officer (as defined below), whose execution thereof shall be conclusive evidence of such approval:

- (a) the Site Lease, by and between the Corporation and the County, under which the County leases the Leased Property to the Corporation in consideration of the agreement by the Corporation to provide funds sufficient to carry out the refinancing plan as recited above;
- (b) the Lease Agreement, by and between the Corporation and the County, under which the Corporation leases the Leased Property back to the County and under which the County agrees to pay semiannual Lease Payments calculated at fixed rates of interest;
- (c) the Trust Agreement, by and among the Corporation, the County and the Trustee, providing the terms and conditions for the execution and delivery of the Certificates; and
- (d) the Escrow Agreement, by and among the County, the Corporation and the Escrow Agent, providing the terms and conditions for the defeasance and prepayment of the 2015 Certificates.

Each of the Chair of the Board, and any such other member of the Board as the Chair may designate, the County Administrative Officer, the County Auditor-Controller, the County Treasurer-Tax Collector, and the designee of any of them (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 Site Lease, Lease Agreement, Trust Agreement and Escrow Agreement in the forms submitted to this meeting, with such changes, insertions and omissions as any Authorized Officer may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Site Lease, Lease Agreement, Trust Agreement and Escrow Agreement by an Authorized Officer. The Board hereby authorizes the delivery and performance of each of the foregoing documents.

Section 4. Execution and Delivery of Certificates. The execution and delivery of Certificates evidencing principal in an aggregate amount not to exceed \$41,000,000, 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; provided, that the term of the Lease Agreement shall not extend beyond October 1, 2045 (except for an extension in the event of nonpayment of Lease Payments as set forth in the Lease Agreement), and the net present value interest rate savings with respect to the refinancing of the 2015 Certificates shall be at least 3.00% (as provided in the County of Monterey Public Finance Policy dated July 25, 2017).

Section 5. Sale of Certificates.

(a) The Certificates shall be sold by competitive sale, subject to the limitations set forth in Section 4 of this Resolution, pursuant to the Official Notice of Sale relating to the Certificates (the “Official Notice of Sale”), in substantially the form on file with the Clerk of the Board, which is hereby approved.

Jones Hall LLP, as bond counsel to the County, is hereby authorized and directed to cause a Notice of Intention to sell the Certificates, in form and substance acceptable to said firm, to be published once in *The Bond Buyer* in accordance with Section 53692 of the Government Code.

(b) Notwithstanding the provisions of Section 5(a), the Certificates may be sold on a negotiated sale basis, upon: (i) the determination by KNN Public Finance, LLC, the County’s municipal advisor (the “Municipal Advisor”) that the municipal credit markets are not, at the time scheduled for the sale of the Certificates, in the judgment of the Municipal Advisor, conducive to a successful competitive sale of the Certificates; and (ii) an Authorized Officer’s concurrence with the conclusion of the Municipal Advisor. In such event, the Certificates may be sold on a negotiated basis, to a firm selected by the Municipal Advisor through a competitive selection process, pursuant to a contract of purchase, between the County and the underwriting firm so selected to purchase the Certificates, in substantially the form on file with the Clerk of the Board (the “Contract of Purchase”), and any Authorized Officer is hereby authorized and directed to execute the Contract of Purchase on behalf of the County; provided, however, that the principal amount and minimum savings threshold with respect to the Certificates shall not exceed the amounts set forth in Section 4 above, and the underwriter’s discount shall not exceed 1.00% of the original aggregate principal amount of the Certificates.

Section 6. Preliminary Official Statement. 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. Each Authorized Officer is 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 of the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 7. Official Statement. The preparation and delivery of an Official Statement, and its use by the underwriter of the Certificates 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 8. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, attached as an appendix to the 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. Each 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 Certificate.

Section 9. Professionals Appointed. The selection of KNN Public Finance, LLC, as municipal advisor to the County, and Jones Hall LLP, as special counsel and disclosure counsel to the County, in connection with the execution and delivery of the Certificates and the other documents authorized to be delivered in connection therewith, is hereby confirmed.

Section 10. Official Actions. The Authorized Officers and the officers and employees of the County are hereby authorized and directed, in the name and on behalf of the County, to execute any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, certificates of acceptance of property conveyed to the County, certificates of termination relating to prior lease financings, and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved pursuant to this Resolution, each in form approved by counsel, including without limitation any documents needed to obtain a municipal bond rating with respect to the Certificates and to procure municipal bond insurance for the Certificates. Whenever in this Resolution any officer of the County is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable. Any actions previously taken by any officers and employees of the County upon consultation with counsel in connection with the offering, sale, execution and delivery of the Certificates, the refinancing of the 2015 Certificates, and the other actions contemplated by this Resolution, are hereby approved, confirmed and ratified.

Section 11. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED on this 10th day of February 2026, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board Supervisors duly made and entered in the minutes thereof at page _____ of Minute Book , on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors County of Monterey,
State of California.

By _____
Deputy

APPENDIX A

Government Code Section 5852.1 Disclosure

The following information consists of estimates with respect to the execution and delivery of the Certificates that have been provided by KNN Public Finance, LLC, the municipal advisor to the County, which have been represented by them to have been provided in good faith:

- (A) True interest cost: 3.585223%
- (B) Finance charge (sum of all fees/charges paid to third parties): \$424,900.00
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$39,215,612.15
- (D) Total gross payment amount through maturity: \$55,324,750.00

The foregoing estimates constitute good faith estimates only. Actual amounts and other items described above may differ from such good faith estimates due to (a) the actual date of the execution and delivery of the Certificates being different than the date assumed for purposes of such estimates, (b) the actual principal components of the Certificates being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the principal components of the Certificates being different than the amortization assumed for purposes of such estimates, (d) other market conditions, or (d) alterations in the County's refinancing plan, or a combination of such factors. The actual date of execution and delivery of the Certificates and the actual principal components of the Certificates payable thereunder will be determined by the County based on the timing of the need for proceeds thereof and other factors. The actual interest rates borne by the principal components of the Certificates will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the County.