

2002 Series B (the “2002 Series B Bonds”), \$18,500,000 of the Authority’s Lease Revenue Bonds (Various Capital Projects), 2003 Series A (the “2003 Series A Bonds”) and \$122,065,000 of the Authority’s Lease Revenue Bonds (Refunding and Various Capital Projects), 2007 Series A (the “2007 Series A Bonds” and, collectively with the 1999 Series A Bonds, the 2002 Series A Bonds, the 2002 Series B Bonds and the 2003 Series A Bonds, the “Prior Bonds”);

WHEREAS, the County has leased certain real property and the improvements thereon to the Authority pursuant to a master site lease, dated as of February 1, 1999, as heretofore amended (the “Prior Site Lease”);

WHEREAS, to secure the Prior Bonds, the Authority has leased certain real property and the improvements thereon to the County pursuant to a facility lease, dated as of February 1, 1999, as heretofore amended (the “Prior Facility Lease”);

WHEREAS, the County pays base rental payments to the Authority pursuant to the Prior Facility Lease for the use and occupancy of Facilities (as defined under the Prior Facility Lease) leased thereunder (the “Prior Facilities”), which rental payments are in amounts sufficient to pay debt service on the Prior Bonds;

WHEREAS, pursuant to Sections 7.02 and 7.03 of the Prior Facility Lease, the County may prepay base rental and purchase the Authority’s interest in all or some of the Prior Facilities, thereby causing the redemption and defeasance of the portion of the Prior Bonds payable from such prepaid base rental payments;

WHEREAS, the County intends to prepay all or a portion of the base rental from the proceeds of the refunding bonds authorized hereby;

WHEREAS, it is proposed that upon such prepayment, the County and the Authority enter into an eighth amendment to the Prior Site Lease (the “Eighth Amendment to Site Lease”) to release certain parcels of real property relating to the Prior Facilities identified pursuant to Section 13 hereof (the “Refinanced Prior Facilities”);

WHEREAS, it is proposed that the Authority and the County enter into an eighth amendment to the Prior Facility Lease (the “Eighth Amendment to Facility Lease”) to release the Refinanced Prior Facilities and the real property relating thereto from the Prior Facility Lease;

WHEREAS, the release of such property from the Prior Site Lease and the Prior Facility Lease will cause a reduction in the base rental payments of the County under the Prior Facility Lease to an amount not less than the amount required to pay debt service on the portion of the Prior Bonds remaining outstanding following the redemption and defeasance of the portion of the Prior Bonds paid from the prepayment of base rental and the remaining Prior Facilities following such release will continue to have a fair rental value at least equal to the maximum amount of base rental payments becoming due in each fiscal year during the term of the amended Prior Facility Lease;

WHEREAS, such release of property will not adversely affect the County’s use and occupancy of the Prior Facilities and the County, following such release, will continue to

have “Good Merchantable Title” to the Prior Facilities as described in the amended Prior Facility Lease;

WHEREAS, the Eighth Amendment to the Prior Site Lease and the Eighth Amendment to the Prior Facility Lease are each permitted by Section 6.08 of the Prior Trust Agreement, as the amendments will delete property descriptions to reflect accurately the descriptions of the parcels intended or preferred by the parties to be leased following the prepayment by the County of the base rental and redemption or defeasance of the corresponding portion of the Prior Bonds;

WHEREAS, this Board of Supervisors of the County (the “Board”) hereby requests the Authority to assist the County in the refunding and defeasance of a portion of the outstanding Prior Bonds (such portion herein called the “Refunded Bonds”) in order to produce debt service savings and release the Refinanced Prior Facilities and property encumbered by the Prior Facility Lease, resulting in significant public benefits for the County;

WHEREAS, this Board hereby further requests that the Authority assist the County in financing all or a portion of the cost of various public capital projects, including, but not limited to, (i) the acquisition and installation of solar photovoltaic panels to be located at multiple locations within the County, and (ii) the acquisition, construction, improvement and equipping of a new medical clinic to be located at 13601 San Pablo Avenue, San Pablo, California (collectively, the “2015 Project”);

WHEREAS, the County desires to request and approve the Authority’s issuance of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Refunding and Capital Projects), 2015 Series A and 2015 Series B (collectively, the “2015 Bonds”) in an amount sufficient to finance the 2015 Project, refund the Refunded Bonds and pay related costs of issuance;

WHEREAS, in accordance with the requirements of Section 6586.5 of the Act, a public hearing regarding the financing of the 2015 Project proposed herein was conducted by the County on July 21, 2015;

WHEREAS, notice of such hearing was published at least five days prior to such hearing in a newspaper of general circulation in the County;

WHEREAS, the County hereby determines that the financing of the 2015 Project by the issuance of the 2015 Bonds by the Authority will result in significant public benefits to the County, including demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs;

WHEREAS, it is further proposed that the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”), enter into a trust agreement (the “Trust Agreement”), acknowledged by the County, and, pursuant to the Trust Agreement, the Authority will issue not to exceed \$90,000,000 aggregate principal amount of the 2015 Bonds;

WHEREAS, it is proposed that the County enter into a site lease (the “Site Lease”) pursuant to which it will lease certain real property, including, but not limited to the

facilities described in the Site Lease and identified pursuant to Section 13 hereof (collectively with all such property to be leased pursuant to the Site Lease, the “2015 Facilities”), to the Authority;

WHEREAS, it is proposed that the County enter into a facilities lease (the “Facilities Lease”) pursuant to which it will lease back the 2015 Facilities from the Authority;

WHEREAS, under the Facilities Lease, the County will be obligated to make base rental payments to the Authority which the Authority will cause to be used to pay debt service on the 2015 Bonds;

WHEREAS, the County deems it necessary and desirable to authorize the sale of the 2015 Bonds by a negotiated sale to Piper Jaffray & Co. (the “Underwriter”) pursuant to a Bond Purchase Contract among the County, the Authority and the Underwriter (the “Bond Purchase Contract”) and has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the 2015 Bonds, (2) provide more flexibility in the debt structure; (3) allow the County and the Authority to work with participants familiar with the County; and (4) increase the opportunity to pre-market the 2015 Bonds;

WHEREAS, a form of Official Statement describing the 2015 Bonds (the “Official Statement”) has been prepared, which will be distributed by the Underwriter in preliminary form (the “Preliminary Official Statement”) to potential purchasers of the 2015 Bonds and in final form to actual purchasers of the 2015 Bonds;

WHEREAS, Montague DeRose and Associates, LLC, is serving as financial advisor (the “Financial Advisor”) to the County and the Authority, Orrick, Herrington & Sutcliffe LLP is serving as bond counsel (“Bond Counsel”) to the Authority, and Schiff Hardin LLP is serving as disclosure counsel (“Disclosure Counsel”) to the County and the Authority in connection with the financing and refinancing;

WHEREAS, a form of Continuing Disclosure Agreement with respect to the 2015 Bonds (the “Continuing Disclosure Agreement”) between the County and Digital Assurance Certification, L.L.C. has been prepared pursuant to which the County will undertake, pursuant to S.E.C. Rule 15c2-12, continuing disclosure obligations with respect to the 2015 Bonds;

WHEREAS, a form of Escrow Agreement with respect to the Refunded Bonds (the “Escrow Agreement”) between the Authority and Wells Fargo Bank, National Association, as escrow agent, has been prepared;

WHEREAS, this Board has been presented with the form of each document referred to herein relating to the 2015 Bonds, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing;

WHEREAS, the County has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

WHEREAS, the County expects to finance the 2015 Project and to refund the Refunded Bonds on a tax-exempt basis;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Contra Costa, as follows:

Section 1. The foregoing recitals are true and correct and this Board so finds and determines.

Section 2. The County hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the County and that the statements, findings and determinations of the County set forth above are true and correct and that the issuance of the 2015 Bonds by the Authority for the refunding of the Refunded Bonds and the financing of the 2015 Project will result in demonstrable savings in effective interest rate, bond preparation, bond underwriting or bond issuance costs producing significant public benefits and the refunding of the Refunded Bonds will result in savings to the County.

Section 3. The Board of Supervisors hereby requests and approves the issuance of the 2015 Bonds by the Authority, in a principal amount of not to exceed \$90,000,000 for the financing of the 2015 Project, the refunding of the Refunded Bonds and the payment of related transaction costs.

Section 4. The form of Site Lease on file with the Clerk of the Board of Supervisors is hereby approved and the Chair of the Board of Supervisors, the Vice Chair of the Board of Supervisors, the County Administrator of the County, the County Finance Director or any designee of any such official (the "Authorized Signatories") and the Clerk of the Board of Supervisors or any assistant clerk of the Board of Supervisors (the "Clerk"), each acting alone, are hereby authorized and directed to execute and deliver, and the Clerk to attest, the Site Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term thereof shall not exceed 40 years.

Section 5. The form of Facilities Lease on file with the Clerk is hereby approved and any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to execute and deliver, and the Clerk to attest, the Facilities Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the maximum annual base rental payments payable under the Facilities Lease shall not exceed \$12,000,000 and the term of the Facilities Lease (including any extensions) shall not exceed 40 years.

Section 6. The form of Trust Agreement on file with the Clerk is hereby approved. Any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to acknowledge the execution and delivery of the Trust Agreement in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the acknowledgement thereof.

Section 7. The form of Bond Purchase Contract on file with the Clerk is hereby approved. Any one of the Authorized Signatories is hereby authorized and directed to execute and deliver said Bond Purchase Contract with such additions, changes and corrections thereto as such officer shall require or approve, such approval to be conclusively evidenced by the execution thereof; provided, however that (i) the interest rate on the 2015 Bonds shall not exceed a true interest cost of five percent (5.0%) per annum, (ii) the underwriting discount (excluding any original issue discount) shall not exceed one half of one percent (0.5%) of the aggregate principal amount of the 2015 Bonds, and (iii) the refunding of the Refunded Bonds shall result in savings in accordance with the County's Debt Management Policy.

Section 8. The form of Official Statement describing the 2015 Bonds is hereby approved and any of the Authorized Signatories is hereby authorized and directed to execute and deliver a final Official Statement in substantially said form with such additions, corrections and revisions as may be determined to be necessary or desirable by the official executing the same. The Underwriter is hereby directed to distribute copies of the Official Statement to all actual purchasers of the 2015 Bonds. Distribution by the Underwriter of the Preliminary Official Statement to potential purchasers is hereby approved and any of the Authorized Signatories is hereby authorized and directed to execute a certificate confirming that the Preliminary Official Statement has been "deemed final" by the County for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 9. The proposed form of Continuing Disclosure Agreement, to be dated the date of issuance of the 2015 Bonds, by and between the County and Digital Assurance Certification, L.L.C., on file with the Clerk, is hereby approved. Any of the Authorized Signatories is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 10. The proposed form of Eighth Amendment to Site Lease on file with the Clerk is hereby approved. Any one of the Authorized Signatories is hereby authorized and directed to execute and deliver, and the Clerk to attest, the Eighth Amendment to Site Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 11. The proposed form of Eighth Amendment to Facility Lease on file with the Clerk is hereby approved. Any one of the Authorized Signatories is hereby authorized and directed to execute and deliver, and the Clerk to attest, the Eighth Amendment to Facility Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 12. The proposed form of Escrow Agreement, on file with the Clerk, is hereby approved.

Section 13. Any one of the Authorized Signatories, each acting alone, is hereby authorized to select from the Prior Facilities the particular facilities to be designated as a

Refinanced Prior Facility and to select which of such Refinanced Prior Facilities will be leased as a 2015 Facility. In addition, any of the Authorized Signatories, each acting alone, is hereby authorized to select as a 2015 Facility any one or more of the following additional facilities: Sheriff's Field Operations Bureau, Animal Services Building and East County Social Services Building and the approval of the inclusion of such selected facilities in the Site Lease and the Facilities Lease will be conclusively evidenced by the execution and delivery of the Site Lease and the Facilities Lease.

Section 14. The Authorized Signatories are each hereby authorized to solicit or cause to be solicited proposals from financial institutions or municipal bond insurance companies, and, if the Authorized Signatory soliciting the same determines that it is in the best interest of the County to arrange for the purchase of a bond insurance policy or a surety bond in connection with the 2015 Bonds, the Authorized Signatory is hereby authorized to execute and deliver all documents necessary in connection therewith.

Section 15. The Authorized Signatories are each hereby authorized to enter into or to instruct the Authority or the Trustee to enter into one or more investment agreements, float contracts, other hedging products that are authorized under the County's Debt Policy from time to time (hereinafter collectively referred to as the "Investment Agreement") providing for the investment of moneys in any of the funds and accounts created under the Trust Agreement, on such terms as the Authorized Signatories shall deem appropriate including providing investments with terms up to the final maturity date of the 2015 Bonds. Pursuant to Section 5922 of the California Government Code, this Board hereby finds and determines that the Investment Agreement is designed to reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreement and is designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the 2015 Bonds or enhance the relationship between risk and return with respect to investments.

Section 16. The officers 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, including, but not limited to, preparation of title reports and/or a title insurance policy, signature certificates, no-litigation certificates, tax and rebate certificates, certificates concerning the contents of the Official Statement distributed in connection with the sale of the 2015 Bonds, and execution of any escrow instructions and documents in connection with the refunding and defeasance of the Refunded Bonds. The Authorized Signatories and other appropriate officers of the County before and after the issuance of the 2015 Bonds are hereby authorized and directed to execute and deliver any and all documents related to transfers of real property, lease termination agreements, property acceptances, title clarification documents, certificates, instructions as to investments, written requests and other certificates necessary or desirable to refund the Refunded Bonds, administer the 2015 Bonds or leases, pay costs of issuance or to accomplish the transactions contemplated herein.

Section 17. All actions heretofore taken by the officers and agents of the County with respect to the issuance and sale of the 2015 Bonds are hereby approved and confirmed.

Section 18. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this 21st day of July, 2015.

Chair of the Board of Supervisors
County of Contra Costa, California

[Seal]

ATTEST:

David J. Twa, Clerk of the
Board of Supervisors and County Administrator

By _____
Chief Deputy Clerk of the Board of
Supervisors of the County of
Contra Costa, State of California

CLERK'S CERTIFICATE

The undersigned, Chief Deputy Clerk of the Board of Supervisors of the County of Contra Costa, hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Supervisors of said County duly and regularly held at the regular meeting place thereof on the 21st day of July, 2015, of which meeting all of the members of said Board of Supervisors had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

An agenda of said meeting was posted at least 96 hours before said meeting at the County Administration Building, 651 Pine Street, Martinez, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

The foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting; said 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 and the seal of the County of Contra Costa this _____ day of July, 2015.

[Seal]

Chief Deputy Clerk of the Board of Supervisors
of the County of Contra Costa,
State of California