



Agenda

Tuesday, August 28, 2018

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

1. **CALL TO ORDER**
ROLL CALL – Clerk to the Board
2. **APPROVAL OF MINUTES**
Approval of the minutes from the August 14, 2018 regular meeting.
3. **NEW BUSINESS**
 - A. Consideration of approving resolution 18-08A for Oro Loma Sanitary District, unincorporated County of Alameda; up to \$15,300,000 of revenue bonds. (Staff – Caitlin Lancot)
 - B. Consideration of approving resolution 18-09A for Castro Valley Sanitary District, unincorporated County of Alameda; up to \$15,500,000 of revenue bonds. (Staff – Caitlin Lancot)
4. **PUBLIC COMMENT**
Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.
5. **STAFF UPDATES**
6. **ADJOURNMENT**
Adjourn as the California Public Finance Authority.



2. APPROVAL OF MINUTES

Approval of the minutes from the August 14, 2018 regular meeting.



Action Summary

Tuesday, August 14, 2018

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

B1

1. **CALL TO ORDER**
ROLL CALL – Clerk to the Board
ALL MEMBERS PRESENT
2. **APPROVAL OF MINUTES**
Approval of the minutes from the July 10, 2018 regular meeting.
ACTION: APPROVED AS PRESENTED (JN/DV/CP/RF/RV-Aye)
3. **CONSENT CALENDAR**
A. Consideration of approving resolution 18-04M for the addition of program participant to the Authority.
B. Consideration of Invoice request 18-05IR for US Bank fees.
ACTION: CONSENT CALENDAR APPROVED AS PRESENTED (CP/DV/JN/RF/RV-Aye)
4. **NEW BUSINESS**
A. Consideration of approving resolution 18-07A for C4, L.P., City of Coronado, County of San Diego; up to \$8,500,000 of revenue bonds. (Staff – Caitlin Lanctot)
ACTION: APPROVED AS PRESENTED (DV/RF/JN/CP/RV-Aye)
B. Consideration and discussion in regards to Asset Acquisition of the Annadel Apartments Project. (Staff – Mike LaPierre)
ACTION: APPROVED AS PRESENTED (DV/RF/JN/CP/RV-Aye)
5. **PUBLIC COMMENT**
Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.
None
6. **STAFF UPDATES**
None
7. **ADJOURNMENT**
The meeting was adjourned at 11:22 a.m.



3. NEW BUSINESS

A. Consideration of approving resolution 18-08A for Oro Loma Sanitary District, unincorporated County of Alameda; up to \$15,300,000 of revenue bonds. (Staff – Caitlin Lanctot)



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

DATE:	AUGUST 28, 2018
APPLICANT:	ORO LOMA SANITARY DISTRICT (THE “DISTRICT”)
AMOUNT:	UP TO \$15.3 MILLION OF TAX-EXEMPT BONDS
PURPOSE:	FINANCE CAPITAL IMPROVEMENTS TO THE DISTRICT’S WASTEWATER SYSTEM
PRIMARY ACTIVITY:	WASTEWATER SERVICES, SOLID WASTE COLLECTION AND RECYCLING SERVICES
LEGAL STRUCTURE:	SANITARY DISTRICT

The District was formed on August 7, 1911 with the purpose of providing a sanitary sewer and outfall system to an area of about 800 acres in the unincorporated community of San Lorenzo in Alameda County, California. In 1940, the District was reorganized under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.). The District is authorized to provide wastewater services as well as to provide solid waste collection and recycling services.

The District provides wastewater collection, treatment and disposal services to incorporated and unincorporated areas in west-central Alameda County which are located approximately 13 miles south of the City of Oakland and 30 miles north of the City of San Jose. The District encompasses approximately 13 square miles, which extends inland from the east shore of the San Francisco Bay to the East Bay Foothills. The District's customer base includes 55% from the unincorporated communities of San Lorenzo: Ashland, Meekland, Cherryland, and portions of Fairview, 43% from Castro Valley, 1.6% from the City of San Leandro, and 0.4% from the City of Hayward. The population of the District is currently estimated at 135,000 and the District serves approximately 47,100 wastewater customers. A five-member Board of Directors elected at-large to four-year terms governs the District.

The District’s treatment plant (the “Treatment Plant”) is jointly owned by the District (75%) and Castro Valley Sanitary District (“CVSD”) (25%). It has a permitted capacity of 20 million gallons per day (“MGD”) and treats an average dry weather flow of 12.4 MGD. The District treats the wastewater to a secondary level through physical, biological, and chemical processes. The treated water, called effluent, is safely disposed of through a collectively-owned discharge pipe into the deep waters of San Francisco Bay. Said effluent will be considered advanced secondary upon completion of the improvements to the Treatment Plant. The Treatment Plant produces approximately 11 dry tons of biosolids per day. Biosolids are recycled via land application in partnership with Synagro Technologies Inc., a nationwide provider of these services.

The District provides residential recycling and green waste programs for its entire service area, which includes the unincorporated areas of Alameda County and 40% of the City of San Leandro. These programs are intended to reduce solid waste in accordance with the California Integrated Waste Management Act of 1989 and Alameda County Measure D.

Description of Proposed Project:

The District plans to use the proceeds of the Bonds to finance an upgrade to the Treatment Plant, to provide a higher quality of effluent to reduce the amount of nitrogen remaining in the final effluent (the “Project”). The Project will include a new aeration basin, the replacement and upgrade of the existing aeration system, and the construction of a new effluent pump station. It is expected that the Project will allow for the nitrification and denitrification of flows up to 30 MGD. The District has obtained a National Pollutant Discharge Elimination System (“NPDES”) permit for the discharge of peak flows in an existing local outfall pipe which is contingent upon upgrading the treatment process. The local discharge of effluent flows will allow decreased dependence and costs for the District’s partnership with the East Bay Dischargers Authority (“EBDA”). EBDA is a joint powers authority that manages and operates common use areas for sewage wastewater disposal facilities for its member agencies, including the District. With the upgrades to the Treatment Plant, the District’s effluent quality is expected to meet or exceed all projected effluent limits for at least twenty years.

The District has requested CalPFA to issue up to \$15,300,000 to assist the District in paying the costs to finance the Project and to pay certain Bond issuance expenses.

TEFRA Information:

A TEFRA hearing is not required for the proposed financing.

Financing Structure:

The Bonds will mature in no more than 35 years and bear interest at an average coupon rate not to exceed 7.00%. The Bonds will be sold through a competitive sale. The proposed financing is in accordance with the Authority's issuance guidelines.

Good Faith Estimates

- True Interest Cost - 3.75%
- Sum of all fees and charges to third parties - \$330,000 (COI = \$178,700, Underwriter's Discount = \$151,300)
- Net Bond Proceeds - \$14,800,000
- Total Payments to Maturity - \$23,672,430 (25yrs)

Estimated Sources and Uses:

<u>Sources of Funds</u>	
Bond Proceeds	\$15,300,000
Total Sources	<u>\$15,300,000</u>
 <u>Uses of Funds</u>	
Project Fund	\$14,970,000
Costs of Issuance	178,700
Underwriter's Discount	<u>151,300</u>
Total Uses	\$15,300,000

Recommendations:

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of tax-exempt bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefit:

Completion of the Project will upgrade the treatment process of effluent and improve the quality of effluent to be discharged into San Francisco Bay. With the upgrades to the Treatment Plant, the District's effluent quality is expected to meet or exceed all projected effluent limits for at least twenty years.

RESOLUTION NO. 18-08A

CALIFORNIA PUBLIC FINANCE AUTHORITY

AUTHORIZING THE ISSUANCE OF REVENUE BONDS ON BEHALF OF THE ORO LOMA SANITARY DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,300,000 IN CONNECTION WITH FINANCING CERTAIN WASTEWATER IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF TRUST, AN INSTALLMENT SALE AGREEMENT AND CERTAIN OTHER DOCUMENTS, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER RELATED ACTIONS

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County (the "Charter Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized; and

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain public capital improvement projects; and

WHEREAS, the Oro Loma Sanitary District (the "District"), a sanitary district reorganized under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.) has requested that the Authority participate in issuing one or more series of tax-exempt bonds in an aggregate principal amount not to exceed \$15,300,000 (the "Bonds"), for the purpose of financing certain improvements to the District's wastewater system, which the District will purchase from the Authority (the "Project"); and

WHEREAS, pursuant to an Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association or any other trustee to be selected by the District (the "Trustee"), the Authority will issue the Bonds for the purpose, among others, of financing the Project; and

WHEREAS, pursuant to an Installment Sale Agreement by and between the District and the Authority (the "Installment Sale Agreement"), the District will make installment payments to the Authority as the purchase price for certain improvements to the District's wastewater system, and the Authority will use the installment payments made by the District to the Authority pursuant to the Installment Sale Agreement to pay sufficient debt service on the Bonds; and

WHEREAS, in order to maximize benefits to the District, the District has requested that the Authority sell the Bonds bearing interest at fixed rates through a competitive sale using an official notice of sale (the "Notice of Sale"); and

WHEREAS, the Authority desires to prepare and make available to potential investors an official statement relating to the Bonds containing information to be used in connection with the sale of Bonds; and

WHEREAS, the Board of Directors (the “Board”) of the Authority has duly considered these transactions and wishes at this time to approve these transactions and make certain findings regarding significant public benefits to the District with respect to these transactions;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. Pursuant to the Act, based upon information and representations provided by the District to the Authority, the Board hereby finds and determines that the issuance of the Bonds and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Act, specifically the more efficient delivery of local agency services to residential and commercial development.

Section 2. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds, to be designated as the “California Public Finance Authority (Oro Loma Sanitary District) 2018 Revenue Bonds” pursuant to the Indenture. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17-01C of the Authority, adopted on April 25, 2017 (each, an “Authorized Signatory”) deems necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting alone or in combination, are hereby authorized and directed to execute, the final form of the Indenture for and in the name and on behalf of the Authority.

Section 3. Maximum Bond Parameters. The principal amount of Bonds may not exceed \$15,300,000, the maximum interest rate on the Bonds may not exceed 7% per annum, and the final maturity of the Bonds may not be later than 35 years after the date of issuance.

Section 4. Approval of Installment Sale Agreement. The Board hereby approves the form of the Installment Sale Agreement on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting alone or in combination, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name of and on behalf of the Authority.

Section 5. Sale of Bonds. The Authority hereby authorizes and directs the District to carry out the sale of the Bonds pursuant to a competitive sale. The Board hereby approves the form of the Notice of Sale on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes.

Section 6. Official Statement. The Board hereby approves the form of Official Statement relating to the Bonds (the “Official Statement”) on file with the Authority, together with such changes or additions thereto as the Authorized Signatories deem necessary, desirable or

appropriate upon consultation with counsel to the Authority, and authorizes the Authorized Signatories, each acting alone or in combination, to deem a preliminary form of the Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, except for omissions permitted therein. The Board hereby approves the distribution of the preliminary form of Official Statement by the underwriters to potential Bond investors. The Authorized Signatories, each acting alone or in combination, are hereby authorized to execute the final form of the Official Statement with such changes or additions as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, and the execution of the final Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final Official Statement.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 28th day of August, 2018.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on August 28, 2018.

By: _____
Authorized Signatory
California Public Finance Authority



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

3. **NEW BUSINESS**

B. Consideration of approving resolution 18-09A for Castro Valley Sanitary District, unincorporated County of Alameda; up to \$15,500,000 of revenue bonds. (Staff – Caitlin Lanctot)



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

DATE:	AUGUST 28, 2018
APPLICANT:	CASTRO VALLEY SANITARY DISTRICT (THE “DISTRICT”)
AMOUNT:	UP TO \$15.5 MILLION OF TAX-EXEMPT BONDS
PURPOSE:	FINANCE CAPITAL IMPROVEMENTS TO THE DISTRICT’S WASTEWATER SYSTEM AND OTHER FACILITIES
PRIMARY ACTIVITY:	WASTEWATER SERVICES, SOLID WASTE COLLECTION AND RECYCLING SERVICES
LEGAL STRUCTURE:	SANITARY DISTRICT

The District was formed on July 25, 1939 under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.). The District provides for the collection of wastewater and oversees the collection and proper handling of solid waste from homes and businesses located in its 10-square mile service area in Castro Valley. Castro Valley is located in Northern California, east of San Francisco Bay, in the unincorporated area of Alameda County known as Eden Township. The District serves a population of approximately 60,000, with more than 22,000 single and multi-family residences and businesses. The District’s service area is located approximately 15 miles east of Oakland and 40 miles north of San Jose.

The District’s wastewater collection system comprises approximately 160 miles of sewers and 9 wastewater pump stations, together with 5 miles of outfall sewer lying outside District boundaries. Wastewater from the District is treated under contract by Oro Loma Sanitary District (“OLSD”) at a treatment plant in San Lorenzo (the “Treatment Plant”), of which the District owns 25% (OLSD owns the remaining 75% of the Treatment Plant). The Treatment Plant has a permitted capacity of 20 million gallons per day (“MGD”) and treats an average dry weather flow of 12.4 MGD. The Treatment Plant treats the wastewater to a secondary level through physical, biological, and chemical processes. The treated water, called effluent, is safely disposed of through a collectively-owned discharge pipe into the deep waters of San Francisco Bay. The Treatment Plant produces approximately 11 dry tons of biosolids per day. Biosolids are recycled via land application in partnership with Synagro Technologies Inc., a nationwide provider of these services. The District is entitled to a nominal average dry-weather flow of 5 MGD through the Treatment Plant. Daily dry-weather flows have averaged 3.2 MGD in recent years. Under drought conditions, the daily dry-weather flow averaged 2.6 MGD.

Description of Proposed Project:

The District plans to use the proceeds of the Bonds to finance the Project, which includes the following components:

Treatment Plant Upgrade. The District plans to use a portion of the proceeds of the Bonds to finance an upgrade to the Treatment Plant, to provide a higher quality of effluent to reduce the amount of nitrogen remaining in the final effluent. This component of the Project will include a new aeration basin, the replacement and upgrade of the existing aeration system, and the construction of a new effluent pump station. It is expected that the Project will allow for the nitrification and denitrification of flows up to 30 MGD. The District has obtained a National Pollutant Discharge Elimination System (“NPDES”) permit for the discharge of peak flows in an existing local outfall pipe which is contingent upon upgrading the treatment process. The local discharge of effluent flows will allow decreased dependence and costs for the District’s

partnership with the East Bay Dischargers Authority (“EBDA”). EBDA is a joint powers authority that manages and operates common use areas for sewage wastewater disposal facilities for its member agencies, including the District. With the upgrades to the Treatment Plant, the District’s effluent quality is expected to meet or exceed all projected effluent limits for at least twenty years.

Center Street and Other Capital Projects. In 2013, the District acquired a 73,000-square foot property located at the intersection of Castro Valley Boulevard and Center Street. This property was formerly owned by the California Department of Transportation. The District plans to use a portion of the proceeds of the Bonds to finance the development of this site into a 13,000-square foot building and corporation yard, in order to condense the District’s wastewater operations (i.e., Maintenance, Engineering and Permits) into one location. The facility will include office space, storage, and equipment and vehicle maintenance facilities. The facility will feature potential clean energy saving technology (e.g., solar roof panels and solar panel car ports) that will qualify for LEED certification.

The District has requested CalPFA to issue up to \$15,500,000 to assist the District in paying the costs to finance the Project and to pay certain Bond issuance expenses.

TEFRA Information:

A TEFRA hearing is not required for the proposed financing.

Financing Structure:

The Bonds will mature in no more than 35 years and bear interest at an average coupon rate not to exceed 7.00%. The Bonds will be sold through a competitive sale. The proposed financing is in accordance with the Authority's issuance guidelines.

Good Faith Estimates

- True Interest Cost - 3.90%
- Sum of all fees and charges to third parties - \$330,000 (COI = \$176,700, Underwriter's Discount = \$153,300)
- Net Bond Proceeds - \$15,000,000
- Total Payments to Maturity - \$26,601,070 (30 yrs)

Estimated Sources and Uses:

<u>Sources of Funds</u>	
Bond Proceeds	\$15,500,000
Total Sources	\$15,500,000
<u>Uses of Funds</u>	
Project Fund	\$15,170,000
Costs of Issuance	176,700
Underwriter's Discount	153,300
Total Uses	\$15,500,000

Recommendations:

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of tax-exempt bonds;

2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefit:

Completion of the Treatment Plant Project will upgrade the treatment process of effluent and improve the quality of effluent to be discharged into San Francisco Bay. With the upgrades to the Treatment Plant, the District's effluent quality is expected to meet or exceed all projected effluent limits for at least twenty years.

Currently, the District's wastewater operations are situated at two different sites. Completion of the Center Street project will consolidate all the District's wastewater operations, improving communication and work flow efficiency for District staff and providing convenience for the community when they have wastewater concerns and need to discuss with District staff.

RESOLUTION NO. 18-09A

CALIFORNIA PUBLIC FINANCE AUTHORITY

AUTHORIZING THE ISSUANCE OF REVENUE BONDS ON BEHALF OF THE CASTRO VALLEY SANITARY DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,500,000 IN CONNECTION WITH FINANCING CERTAIN WASTEWATER IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF TRUST, AN INSTALLMENT SALE AGREEMENT AND CERTAIN OTHER DOCUMENTS, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER RELATED ACTIONS

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County (the "Charter Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized; and

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain public capital improvement projects; and

WHEREAS, Castro Valley Sanitary District (the "District"), a sanitary district organized under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.) has requested that the Authority participate in issuing one or more series of tax-exempt bonds in an aggregate principal amount not to exceed \$15,500,000 (the "Bonds"), for the purpose of financing certain improvements to the District's wastewater system and other facilities, which the District will purchase from the Authority (the "Project"); and

WHEREAS, pursuant to an Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association or any other trustee to be selected by the District (the "Trustee"), the Authority will issue the Bonds for the purpose, among others, of financing the Project; and

WHEREAS, pursuant to an Installment Sale Agreement by and between the District and the Authority (the "Installment Sale Agreement"), the District will make installment payments to the Authority as the purchase price for certain improvements to the District's wastewater system, and the Authority will use the installment payments made by the District to the Authority pursuant to the Installment Sale Agreement to pay sufficient debt service on the Bonds; and

WHEREAS, in order to maximize benefits to the District, the District has requested that the Authority sell the Bonds bearing interest at fixed rates through a competitive sale using an official notice of sale (the "Notice of Sale"); and

WHEREAS, the Authority desires to prepare and make available to potential investors an official statement relating to the Bonds containing information to be used in connection with the sale of Bonds; and

WHEREAS, the Board of Directors (the “Board”) of the Authority has duly considered these transactions and wishes at this time to approve these transactions and make certain findings regarding significant public benefits to the District with respect to these transactions;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. Pursuant to the Act, based upon information and representations provided by the District to the Authority, the Board hereby finds and determines that the issuance of the Bonds and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Act, specifically the more efficient delivery of local agency services to residential and commercial development.

Section 2. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds, to be designated as the “California Public Finance Authority (Castro Valley Sanitary District) 2018 Revenue Bonds” pursuant to the Indenture. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17-01C of the Authority, adopted on April 25, 2017 (each, an “Authorized Signatory”) deems necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting alone or in combination, are hereby authorized and directed to execute, the final form of the Indenture for and in the name and on behalf of the Authority.

Section 3. Maximum Bond Parameters. The principal amount of Bonds may not exceed \$15,500,000, the maximum interest rate on the Bonds may not exceed 7% per annum, and the final maturity of the Bonds may not be later than 35 years after the date of issuance.

Section 4. Approval of Installment Sale Agreement. The Board hereby approves the form of the Installment Sale Agreement on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting alone or in combination, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name of and on behalf of the Authority.

Section 5. Sale of Bonds. The Authority hereby authorizes and directs the District to carry out the sale of the Bonds pursuant to a competitive sale. The Board hereby approves the form of the Notice of Sale on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes.

Section 6. Official Statement. The Board hereby approves the form of Official Statement relating to the Bonds (the “Official Statement”) on file with the Authority, together with such changes or additions thereto as the Authorized Signatories deem necessary, desirable or

appropriate upon consultation with counsel to the Authority, and authorizes the Authorized Signatories, each acting alone or in combination, to deem a preliminary form of the Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, except for omissions permitted therein. The Board hereby approves the distribution of the preliminary form of Official Statement by the underwriters to potential Bond investors. The Authorized Signatories, each acting alone or in combination, are hereby authorized to execute the final form of the Official Statement with such changes or additions as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, and the execution of the final Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final Official Statement.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 28th day of August, 2018.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on August 28, 2018.

By: _____
Authorized Signatory
California Public Finance Authority