

RESOLUTION NO. 19/20-1 OF THE BOARD OF TRUSTEES OF THE WILLIAM S. HART UNION HIGH SCHOOL DISTRICT, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT, PAYMENT SCHEDULE NO. 1 TO THAT AGREEMENT, AN ESCROW AGREEMENT AND EQUIPMENT SCHEDULE WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING, AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT THROUGH THE BUYOUT OF A POWER PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the William S. Hart Union High School District (the “*Lessee*”), a body politic and corporate duly organized and existing as a school district and political subdivision of the State of California, is authorized by the laws of the State of California to purchase, acquire, and lease personal property for the benefit of the Lessee and those it provides services to and to enter into contracts with respect thereto;

WHEREAS, the Lessee desires to purchase, acquire and lease certain equipment constituting personal property necessary for the Lessee to perform essential governmental functions, through the early buyout of Lessee’s obligations under a Power Purchase Agreement with HSD Solar Holding, LLC; and all other equipment Lessee or its Designated Officers may deem necessary and/or desirable in an amount not more than \$21,000,000.00 (the “*Equipment*”);

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into a Master Equipment Lease-Purchase Agreements and related Payment Schedule No. 1 (together with the Equipment Schedules and all related exhibits, schedules, and certificates, the “*Lease Agreements*”), attached hereto as Exhibit A, with Holman Capital Corporation (the “*Lessor*”) and one Escrow Agreement (together the Disbursement/Payment Request Form and Acceptance Certificate, the “*Escrow Agreement*”), attached hereto as Exhibit H to the Exhibit A-Lease Agreements, with the Lessor and an escrow bank/agent as the parties may mutually agree on;

WHEREAS, the Lessor has agreed to assign all of its rights, title and interest in and to the Equipment, the Lease Agreements and the Escrow Agreement (collectively and together with any related certificates, exhibits, deliverables, or other documents provided in connection therewith, the “*Transaction Documents*”) to an assignee and the Lessee has consented and acknowledged to the foregoing;

WHEREAS, the Equipment constitutes major items of equipment within the meaning of Education Code section 17597, and the sale and leaseback of the Equipment is the most economical means for providing the Equipment to the District;

WHEREAS, the Board of Trustees of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Transaction Documents for the purchase, acquisition, and leasing of the Equipment to be therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the William S. Hart Union High School District as follows:

Section 1. Recitals. The Board of Trustees of the Lessee hereby finds and determines that all of the above recitals are true and correct.

Section 2. Disclosure of Specified Financing Information. Pursuant to the requirements of Government Code section 5852.1, the District is required to disclose at a public meeting certain information related to the financing. The Board of Trustees of the Lessee has obtained from the Lessor good faith estimates of this required information and hereby discloses the information as shown in Exhibit B attached hereto and incorporated herein by this reference.

Section 3. Approval of Documents. The Board of Trustees of the Lessee hereby authorizes and directs Ralph Peschek, the Chief Financial Officer of the William S. Hart Union High School District, and such other persons as he may delegate (the “*Designated Officers*”), and each of them individually, for and in the name of and

on behalf of the Lessee, to: (a) review, negotiate and approve the form of such Transaction Documents, the parties thereto, and all the terms and provisions contained therein, and (b) execute and deliver the Transaction Documents, in such forms and with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer executing them. The execution of the foregoing by a Designated Officer shall constitute conclusive evidence of such officer's and the Board of Trustee's approval of the Transaction Documents any such changes, insertions, revisions, corrections, or amendments thereto.

Section 4. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Transaction Documents to carry out, give effect to, and consummate the transactions contemplated thereby (including the execution and delivery of Certificates of Acceptance and Disbursement/Payment Requests, Notice and Acknowledgements of Assignments, and any tax certificate and agreement, each with respect to and as contemplated in the Transaction Documents) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Transaction Documents. All actions heretofore taken by officers, employees, and agents of the Lessee that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 5. No General Liability. Nothing contained in this Resolution No. 19/20-1, the Transaction Documents, nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution No. 19/20-1, the Transaction Documents, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Transaction Documents are special limited obligations of the Lessee as provided therein.

Section 6. Appointment of Authorized Lessee Representatives. The Designated Officers are each hereby designated to act as authorized representatives of the Lessee for purposes of the Transaction Documents until such time as the Board of Trustees of the Lessee shall designate any other or different authorized representative for purposes of the Transaction Documents.

Section 7. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution No. 19/20-1.

Section 8. Repealer. All bylaws, orders, and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution, or ordinance or part thereof.

Section 9. Effective Date. This Resolution 19/20-1 shall be effective immediately upon its approval and adoption.

The foregoing Resolution was duly passed and adopted at a meeting of the Board of Trustees of the William S. Hart Union High School District held on August 21, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I, Robert Jensen, President of the Board of Trustees of the William S. Hart Union High School District, hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Trustees on August 21, 2019.

President, Board of Trustees
William S. Hart Union High School District

CERTIFICATION

I, Linda Storli, Clerk to the Board of Trustees of the William S. Hart Union High School District, certify that the foregoing Resolution was regularly introduced, passed, and adopted by the Board of Trustees at its meeting held on August 21, 2019.

DATED: August 21, 2019

Clerk, Board of Trustees
William S. Hart Union High School District

Exhibit A
Lease Agreements

Exhibit B

Specified Financial Information

The good faith estimates set forth herein are provided with respect to the Master Equipment Lease-Purchase Agreements and related Payment Schedule No. 1 (together with the Equipment Schedules and all related exhibits, schedules, and certificates, the "*Lease Agreements*") between the William S. Hart Union High School District (the "*Lessee*") and Holman Capital Corporation (the "*Lessor*"). Such good faith estimates have been provided to the Lessee by the Lessor.

Principal Amount. The estimated aggregate amount of the principal components of the rental payments under the Lease is \$20,000,000.

True Interest Cost. The estimated true interest cost of the Lease Agreements, which means the rate necessary to discount the amounts payable on the respective rental interest payment dates to the purchase price received for the Lease Agreements, is 4.15%.

Finance Charge. The estimated finance charge for the Lease Agreements, which means the sum of all fees and charges paid to third parties, is \$5,000.

Amount of Proceeds to be Received. The estimate of the amount of proceeds to be received by the Lessee from the Lease Agreements is \$20,000,000.

Total Payment Amount. The estimated total payment amount is \$29,569,963.28, which includes the sum total of all rental payments the Lessee will make under the Lease Agreements, plus the finance charges not paid with the proceeds of the Lease in the amount of \$5,000, for a total payment amount of \$29,574,963.28.

The foregoing estimates are good faith estimates only. The actual figures may differ from the estimates owing to changes in the Lessee's financing plan.