

RESOLUTION NO. 19-11

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SANTA CLARA UNIFIED SCHOOL DISTRICT PRESCRIBING THE TERMS AND AUTHORIZING THE SALE AND ISSUANCE OF MEASURE BB BONDS, MEASURE H-2014 BONDS, AND REFUNDING BONDS OF THE DISTRICT AND RELATED ACTIONS

WHEREAS, pursuant to California Education Code sections 5304, 5322 and 15264 et seq., Article XIII A, Section 1(b), and Article XVI, Section 18(b), of the California Constitution, the Board of Trustees (the “Board”) of the Santa Clara Unified School District (the “District”) adopted its Resolution No. 18-42 on August 7, 2018 (the “2018 Election Resolution”), ordering a school bond election, which was then regularly held in the District on November 6, 2018;

WHEREAS, the measure for incurring bonded indebtedness (the “2018 Authorization”), which was fully described in the 2018 Election Resolution, was submitted to the voters at the election and abbreviated on the ballot as follows:

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| MEASURE BB: | “To construct classrooms, labs, and school libraries to support student achievement, college readiness, and career training in math, science, engineering, technology, and arts; acquire, renovate, construct and equip facilities to improve older schools; to fix deteriorating roofs, plumbing and electrical systems, shall Santa Clara Unified School District issue \$720 million in bonds, raising approximately 5 cents/\$100 of assessed value (\$45 million annually) for 32 years to improve local schools, with independent citizen oversight, and all money staying local?” |
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BONDS-YES

BONDS-NO

WHEREAS, the returns of the election were thereafter canvassed pursuant to law, the Certificates of Election received from the Registrars of Voters of Santa Clara County (the “Registrar”) authenticated that more than 55% (the amount required for passage) of the votes cast were in favor of issuing the general obligation bonds (the “Measure BB Bonds”), the Board entered that fact upon its minutes on December 13, 2018, and thereafter certified the election proceedings to the Board of Supervisors (“Board of Supervisors”) of Santa Clara County (the “County”);

WHEREAS, the Board has established and appointed a Citizens’ Oversight Committee for the Measure BB Bonds in accordance with Education Code Section 15278;

WHEREAS, the Board has determined that it is necessary and desirable to issue and sell the first series of the Measure BB Bonds pursuant to the 2018 Authorization, such series of the Measure BB Bonds to be designated generally the “Santa Clara Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2018, Series 2019” (the “Measure

BB Series 2019 Bonds”), in an aggregate principal amount set for the below, according to the terms and in the manner hereinafter set forth;

WHEREAS, pursuant to California Education Code sections 5304, 5322 and 15264 et seq., Article XIII A, Section 1(b), and Article XVI, Section 18(b), of the California Constitution, the Board of the District adopted a resolution (the “2014 Election Resolution”), ordering a school bond election, which was then regularly held in the District on November 4, 2014;

WHEREAS, the measure for incurring bonded indebtedness (the “2014 Authorization”), which was fully described in the 2014 Election Resolution, was submitted to the voters at the election and abbreviated on the ballot as follows:

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| MEASURE H: | “To repair or replace deteriorating roofs, plumbing and wiring, remove asbestos, lead and hazardous materials; to upgrade outdated classrooms and career training facilities to support 21st century learning and prepare students for college and careers; to acquire, renovate, construct/equip classrooms and facilities to relieve overcrowding and attract quality teachers, shall the Santa Clara Unified School District issue \$419 million in bonds at legal rates, with independent citizen oversight, no money for administrators and all money staying local?” |
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BONDS-YES

BONDS-NO

WHEREAS, the returns of the election were thereafter canvassed pursuant to law, the Certificates of Election received from the Registrar authenticated that more than 55% (the amount required for passage) of the votes cast were in favor of issuing the general obligation bonds (the “Measure H-2014 Bonds”), the Board entered that fact upon its minutes, and thereafter certified the election proceedings to the Board of Supervisors of the County;

WHEREAS, in 2015 the Board authorized and issued the first series of Measure H-2014 Bonds pursuant to the 2014 Authorization in the principal amount of \$140,700,000, designated as Santa Clara Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2014, Series 2015;

WHEREAS, in 2017 the Board authorized and issued the second series of Measure H-2014 Bonds pursuant to the 2014 Authorization in the principal amount of \$232,300,000, designated as Santa Clara Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2014, Series 2017;

WHEREAS, the Board has determined that it is necessary and desirable to issue and sell the third and final series of the Measure H-2014 Bonds pursuant to the 2014 Authorization, such series of the Measure H-2014 Bonds to be designated generally the “Santa Clara Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2014, Series

2019” (the “Measure H-2014 Series 2019 Bonds”), in an aggregate principal amount set for the below, according to the terms and in the manner hereinafter set forth;

WHEREAS, prudent management of the fiscal affairs of the District requires that the District now issue refunding bonds under the provisions of Article 9 (Sections 53550 and following) and Article 11 (Sections 53580 and following) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Refunding Bonds”) to refund on a current basis the District’s 2010 General Obligation Refunding Bonds that mature on July 1, 2020 through July 1, 2027 (the “Refunded Bonds”), provided that a sufficient level of present value savings may be achieved by doing so;

WHEREAS, it appears to the Board that the total net interest cost to maturity plus the principal amount of the Refunding Bonds (plus any costs of issuance not funded from proceeds of the Refunding Bonds) will not exceed the total net interest cost to maturity plus the principal amount of the Refunded Bonds, which, pursuant to California Government Code Section 53552 and 53556, will permit the Board to issue the Refunding Bonds without another vote of the electorate;

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of the Measure BB Series 2019 Bonds, the Measure H-2014 Series 2019 Bonds, and the Refunding Bonds of the District (hereinafter collectively referred to as the “Bonds”); and

WHEREAS, the indebtedness of the District, including the proposed issuance of the Bonds, is within all limits prescribed by law.

NOW, THEREFORE, be it resolved by the Board of Trustees of the Santa Clara Unified School District, as follows:

Section 1. Recitals. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Measure BB Series 2019 Bonds; Issue Authorized. The Board hereby authorizes the issuance of the Measure BB Series 2019 Bonds in an aggregate principal amount not to exceed \$360,000,000. The District is issuing the Measure BB Series 2019 Bonds pursuant to the terms of Article 4.5, Chapter 3, Part 1, Division 1, Title 1 of the California Government Code (commencing with Section 53506). The costs of issuance of the Measure BB Series 2019 Bonds (not including estimates of compensation for the underwriter) are estimated to be \$153,000. If financially efficient, the underwriter may purchase bond insurance for the Measure BB Series 2019 Bonds. Other terms and conditions of the Measure BB Series 2019 Bonds and their execution, issuance, and sale, not prescribed by Article 4.5 referred to above, shall be governed by the relevant provisions of the Government Code and Education Code

Section 3. Measure H-2014 Series 2019 Bonds; Issue Authorized. The Board hereby authorizes the issuance of the Measure H-2014 Series 2019 Bonds in an aggregate principal amount not to exceed \$46,000,000. The District is issuing the Measure H-2014 Series 2019 Bonds pursuant to the terms of Article 4.5, Chapter 3, Part 1, Division 1, Title 1 of the California

Government Code (commencing with Section 53506). The costs of issuance of the Measure H-2014 Series 2019 Bonds (not including estimates of compensation for the underwriter) are estimated to be \$145,000. If financially efficient, the underwriter may purchase bond insurance for the Measure H-2014 Series 2019 Bonds. Other terms and conditions of the Measure H-2014 Series 2019 Bonds and their execution, issuance, and sale, not prescribed by Article 4.5 referred to above, shall be governed by the relevant provisions of the Government Code and Education Code.

Section 4. Refunding Bonds; Issue Authorized. The Board hereby authorizes the issuance of the Refunding Bonds in an aggregate principal amount not to exceed \$20,000,000; provided that the total net interest cost to maturity plus the principal amount of the Refunding Bonds (plus any costs of issuance not funded from proceeds of the Refunding Bonds) does not exceed the total net interest cost to maturity plus the principal amount of the Refunded Bonds, and further provided that the District's Superintendent or the Chief Business Official has determined that the refunding of the Refunded Bonds produces net present value savings of at least 3.0% of the par amount of the Refunded Bonds (or such higher amount of savings as they may require).

Section 5. Approval of Paying Agent Agreements. The Board hereby approves the forms of the Paying Agent Agreements (the "Paying Agent Agreements") between the District and U.S. Bank National Association (the "Paying Agent"), as presented to this meeting and on file with the Secretary of the Board. The President, Vice President, Clerk, and Secretary of the Board, the Superintendent, and the Chief Business Official (the "Designated Officers"), or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to execute and deliver to the Paying Agent, the Paying Agent Agreements in substantially that form, with such changes therein as the Designated Officer or Officers executing the Paying Agent Agreement, with the advice of Parker & Covert LLP ("Bond Counsel"), may require or approve, including consolidation of the Paying Agent Agreements. The execution of the Paying Agent Agreements by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, form, registration privileges, place or places of payment, terms of redemption, and other terms of the Bonds shall be as provided in the Paying Agent Agreements, as finally executed.

Section 6. Approval of Escrow Agreement. The Board hereby approves the form of the Escrow Agreement (the "Escrow Agreement") between the District and U.S. Bank National Association (the "Escrow Agent"), as presented to this meeting and on file with the Secretary of the Board that provides for the deposit of funds sufficient to refund the Refunded Bonds. The Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to execute and deliver to the Escrow Agent, the Escrow Agreement in substantially that form, with such changes therein as the Designated Officer or Officers executing the Escrow Agreement, with the advice of Bond Counsel, may require or approve. The execution of the Escrow Agreement by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes.

Section 7. Approval of Method of Sale and Bond Purchase Agreement(s). The Board hereby approves and authorizes Government Financial Strategies inc. (the "Financial

Advisor”) to conduct a negotiated sale of the Bonds following a competitive bidding process to select, with the approval of a Designated Officer, a firm or firms to underwrite the Bonds. The Board hereby further authorizes the sale of the Bonds with an underwriter’s discount, net of the cost of bond insurance, if any, in an amount not to exceed 2.0% of the principal amount of the Measure BB Series 2019 Bonds, the Measure H-2014 Series 2019 Bonds, and the Refunding Bonds, respectively. The method of sale described above has been selected by the Board since it offers greater flexibility than a public sale process in setting and changing the time and terms of the sale.

The Board hereby further approves the form of the Bond Purchase Agreement(s) relating to the Bonds (the “Bond Purchase Agreement”) between the District and the underwriter or underwriters to be designated in the Bond Purchase Agreement(s) (the “Underwriter”), in the form as presented to this meeting, and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to negotiate the final terms of the sale of the Bonds with the Underwriter(s), selected by such Designated Officers, upon the recommendation of the District’s Municipal Advisor, and based on a competitive bidding process conducted by the Municipal Advisor. Further, the Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to sell the Bonds pursuant to the Bond Purchase Agreement(s), and to execute and deliver to the Underwriter(s), the Bond Purchase Agreement(s) in substantially that form, with such changes therein as the Designated Officer or Officers executing the Bond Purchase Agreement(s), with the advice of Bond Counsel, may require or approve. The execution of the Bond Purchase Agreement(s) by a Designated Officer or Officers shall constitute conclusive evidence of such officer’s or officers’ and the Board’s approval of such changes.

Section 8. Approval of Continuing Disclosure Certificate. The Board hereby approves the form of the Continuing Disclosure Certificate relating to the Bonds (the “Continuing Disclosure Certificate”), as presented to this meeting and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to execute and deliver to the other parties thereto, the Continuing Disclosure Certificate in substantially that form, with such changes therein as the Designated Officer or Officers executing the Continuing Disclosure Certificate, with the advice of Bond Counsel, may require or approve. The execution of the Continuing Disclosure Certificate by a Designated Officer or Officers shall constitute conclusive evidence of such officer’s or officers’ and the Board’s approval of such changes.

Section 9. Official Statement. The Board hereby approves the form of the Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”), with such additions, changes, and deletions as permitted hereunder and under applicable law (the “Official Statement”), presented to this meeting and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized and directed to execute the Official Statement in substantially that form, with such changes as the Designated Officer or Officers, upon the advice of the Municipal Advisor, may require or approve. The execution of the Official Statement by a Designated Officer or Officers shall constitute conclusive evidence of such officer’s or officers’ and the Board’s approval of such changes. The Board hereby authorizes and directs the Municipal Advisor to distribute copies of the Preliminary

Official Statement to underwriters, who in turn may distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds, and authorizes and directs the Underwriter to deliver copies of the final Official Statement to all purchasers of the Refunding Bonds. The Board hereby authorizes and directs the Designated Officer or Officers to deliver to the Underwriter certification to the effect that the Board deems the Preliminary Official Statement, with such changes approved by the Designated Officer or Officers, to be final and complete as of its date, except for certain final pricing and related information that may be omitted pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

Section 10. Valid Obligations. The Board hereby determines that all acts and conditions necessary to be performed by the District or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid, and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law, including compliance with Government Code section 5852.1 (with good faith estimates set forth in Exhibit A attached hereto); that the full faith and credit of the District are hereby pledged for the timely payment of the principal and interest on the Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 11. Paying Agent's Fees. In accordance with Education Code section 15232, the District hereby requests the Board of Supervisors of the County to include within the annual tax levy for the Bonds the fees and expenses payable to the Paying Agent.

Section 12. Building Fund and Tax Collection Fund. (A) **2018 Building Fund.** The District hereby requests that the Santa Clara County Director of Finance (the "Director of Finance") establish and create and/or maintain the "Santa Clara Unified School District General Obligation Bonds, Election of 2018 Building Fund" (the "Election 2018 Building Fund"), and keep the fund separate and distinct from all other District funds. The District shall deposit the proceeds of the sale of the Measure BB Series 2019 Bonds (except any premium or accrued interest received from the sale) into the Election 2018 Building Fund for use by the District to pay the costs of the school facilities described in the bond measure approved by the voters of the District, and to pay costs of issuance of the Measure BB Series 2019 Bonds. The District hereby authorizes the Director of Finance to rename the Election 2018 Building Fund as necessary to effectuate the purposes of this Resolution.

(B) **2014 Building Fund.** The District hereby requests that the Director of Finance establish and create the "Santa Clara Unified School District General Obligation Bonds, Election of 2014 Building Fund," or maintain a similar fund created by the Director of Finance for proceeds of previously issued Measure H-2014 Bonds (the "Election 2014 Building Fund"), and keep the funds separate and distinct from all other District funds. The District shall deposit the proceeds of the sale of the Measure H-2014 Series 2019 Bonds (except any premium or accrued interest received from the sale) into the Election 2014 Building Fund for use by the District to pay the costs of the school facilities described in the bond measure approved by the voters of the District, and to pay costs of issuance of the Measure H-2014 Series 2019 Bonds. The District hereby authorizes the Director of Finance to rename the Election 2014 Building Fund as necessary to effectuate the purposes of this Resolution.

(C) **Tax Collection Fund.** The District hereby requests that the Director of Finance establish and create the “Santa Clara Unified School District General Obligation Bonds Tax Collection Fund,” or maintain similar tax collection funds previously created by the Director of Finance, including tax collection funds established for the Measure BB Bonds, Measure H-2014 Bonds, and the Refunded Bonds and any bonds refunded by the Refunded Bonds (the “Tax Collection Fund”), and keep each fund separate and distinct from all other District funds. The District hereby further requests that the Director of Finance deposit any premium received from the sale of the Bonds into their respective Tax Collection Funds. The District hereby further requests that the Director of Finance withdraw from the Tax Collection Funds and transfer to the Paying Agent at the times requested by the District the amounts required to pay debt service on their respective Bonds, and to pay the fees and expenses of the Paying Agent. The District hereby authorizes the Director of Finance to establish and create additional funds and/or rename the Tax Collection Fund as necessary to effectuate the purposes of this Resolution.

Section 13. Identification of Professionals Involved. The Board hereby approves the firm of Government Financial Strategies inc. to act as Municipal Advisor; U.S. Bank National Association to act as Paying Agent; and the firm of Parker & Covert LLP, to act as bond counsel to the District, with respect to the sale and delivery of the Bonds.

Section 14. Official Intent. The District intends to undertake the construction, repair and acquisition of school facilities and equipment, described in the bond measures recited above, to serve the District (the “Improvements”). The District intends to use the proceeds of its Measure BB Series 2019 Bonds and Measure H-2014 Series 2019 Bonds described in this Resolution to finance the Improvements. The District expects to pay certain capital expenditures (the “Reimbursement Expenditures”) in connection with the Improvements prior to the issuance by it of the indebtedness for the purpose of financing the costs of the Improvements on a long-term basis. The District reasonably expects that the Measure BB Series 2019 Bonds and Measure H-2014 Series 2019 Bonds debt obligations will be issued by it for the purpose of financing the cost of the Improvements on a long-term basis, and that certain of the proceeds of such debt obligations will be used to reimburse the District for the Reimbursement Expenditures.

The Board hereby declares the District’s official intent to use a portion of the proceeds of the proposed indebtedness to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations section 1.150-2 and Section 54A(d)(2)(D) of the Internal Revenue Code of 1986, as amended.

Section 15. Authorization of Officers to Execute Documents. The Board hereby authorizes and directs the Designated Officers or their respective designees, and each of them individually, to do any and all things, to take any and all actions, and to execute and deliver any and all documents that they may deem necessary or advisable, including the preparation of an escrow agreement or similar document, and including the application for and purchase of a municipal bond insurance policy, in order to complete the sale, issuance, and delivery of the Bonds, and otherwise to carry out, give effect to, and comply with the terms and intent of this Resolution. All actions heretofore taken by such officers and staff that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.

Section 16. **Effective Date.** This resolution shall take effect immediately upon its passage.

APPROVED, PASSED, AND ADOPTED on March __, 2019, by the Santa Clara Unified School District Board of Trustees, by the following vote:

AYES _____

NOES _____

ABSENT _____

ABSTAIN _____

**SANTA CLARA UNIFIED
SCHOOL DISTRICT**

By: _____
President of the Board of Trustees

ATTEST:

By: _____
Secretary of the Board of Trustees

EXHIBIT A
GOOD FAITH ESTIMATES
(California Government Code section 5852.1)

General Obligation Bonds
Election of 2018, Series 2019

Supplemental to the terms and conditions of the Measure BB Series 2019 Bonds set forth in this Resolution, the good faith estimates set forth in this Exhibit A are provided with respect to the Measure BB Series 2019 Bonds in compliance with California Government Code section 5852.1. Such good faith estimates have been provided to the District by Government Financial Strategies inc., as the District's financial advisor under Education Code section 15146(b)(1)(C) (as identified in Section 13 of this Resolution) and as Municipal Advisor under Section 15B of the Securities and Exchange Act of 1934 (the "Municipal Advisor").

True Interest Cost of the Measure BB Series 2019 Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$360,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Measure BB Series 2019 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Measure BB Series 2019 Bonds, is 4.39%.

Finance Charge of the Measure BB Series 2019 Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$360,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Measure BB Series 2019 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Measure BB Series 2019 Bonds), is \$6,453,000.

Amount of Proceeds to Be Received. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$360,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the District for sale of the Measure BB Series 2019 Bonds, less the finance charge of the Measure BB Series 2019 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Measure BB Series 2019 Bonds, is \$353,547,000.

Total Payment Amount. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$360,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Measure BB Series 2019 Bonds, plus the finance charges for the Measure BB Series 2019 Bonds, as described above, not paid with proceeds of the Measure BB Series 2019 Bonds, calculated to the final maturity of the Measure BB Series 2019 Bonds, is \$665,933,177.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Measure BB Series 2019 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Measure BB Series 2019 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Measure BB Series 2019 Bonds sold being different from the estimated principal amount not to exceed \$360,000,000, (c) the actual amortization of the Measure BB Series 2019 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Measure BB Series 2019 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Measure BB Series 2019 Bonds and the actual principal amount of Measure BB Series 2019 Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Measure BB Series 2019 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Measure BB Series 2019 Bonds will also depend, in part, 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 District.

General Obligation Bonds Election of 2014, Series 2019

Supplemental to the terms and conditions of the Measure H-2014 Series 2019 Bonds set forth in this Resolution, the good faith estimates set forth in this Exhibit A are provided with respect to the Series 2019 Bonds in compliance with California Government Code section 5852.1. Such good faith estimates have been provided to the District by Government Financial Strategies inc., as the District's financial advisor under Education Code section 15146(b)(1)(C) (as identified in Section 13 of this Resolution) and as Municipal Advisor under Section 15B of the Securities and Exchange Act of 1934 (the "Municipal Advisor").

True Interest Cost of the Measure H-2014 Series 2019 Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$46,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Measure H-2014 Series 2019 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Measure H-2014 Series 2019 Bonds, is 4.25%.

Finance Charge of the Measure H-2014 Series 2019 Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$46,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Measure H-2014 Series 2019 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Measure H-2014 Series 2019 Bonds), is \$955,000.

Amount of Proceeds to Be Received. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$46,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the District for sale of the Measure H-2014 Series 2019 Bonds, less the finance charge of the Measure H-2014 Series 2019 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Measure H-2014 Series 2019 Bonds, is \$45,045,000.

Total Payment Amount. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$46,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Measure H-2014 Series 2019 Bonds, plus the finance charges for the Measure H-2014 Series 2019 Bonds, as described above, not paid with proceeds of the Measure H-2014 Series 2019 Bonds, calculated to the final maturity of the Measure H-2014 Series 2019 Bonds, is \$68,575,426.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Measure H-2014 Series 2019 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the

Measure H-2014 Series 2019 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Measure H-2014 Series 2019 Bonds sold being different from the estimated principal amount not to exceed \$46,000,000, (c) the actual amortization of the Measure H-2014 Series 2019 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Measure H-2014 Series 2019 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Measure H-2014 Series 2019 Bonds and the actual principal amount of Measure H-2014 Series 2019 Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Measure H-2014 Series 2019 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Measure H-2014 Series 2019 Bonds will also depend, in part, 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 District.

GOOD FAITH ESTIMATES
(California Government Code section 5852.1)

2019 General Obligation Refunding Bonds

Supplemental to the terms and conditions of the Refunding Bonds set forth in this Resolution, the good faith estimates set forth in this Exhibit A are provided with respect to the Refunding Bonds in compliance with California Government Code section 5852.1. Such good faith estimates have been provided to the District by Government Financial Strategies inc., as the District's financial advisor under Education Code section 15146(b)(1)(C) (as identified in Section 13 of this Resolution) and as Municipal Advisor under Section 15B of the Securities and Exchange Act of 1934 (the "Municipal Advisor").

True Interest Cost of the Refunding Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$20,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 3.70%.

Finance Charge of the Refunding Bonds. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$20,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$405,563.

Amount of Proceeds to Be Received. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$20,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the District for sale of the Refunding Bonds, less the finance charge of the Refunding Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is \$19,477,825.

Total Payment Amount. The Municipal Advisor has informed the District that, assuming the estimated principal amount not to exceed \$20,000,000 is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Refunding Bonds, plus the finance charges for the Refunding Bonds, as described above, not paid with proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$23,145,679.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal

amount of Refunding Bonds sold being different from the estimated principal amount not to exceed \$20,000,000, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Refunding Bonds and the actual principal amount of Refunding Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Refunding Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Refunding Bonds will also depend, in part, 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 District.