

**HARTNELL COMMUNITY COLLEGE DISTRICT**

**RESOLUTION NO. 20:9**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE HARTNELL COMMUNITY COLLEGE DISTRICT, AUTHORIZING THE ISSUANCE OF HARTNELL COMMUNITY COLLEGE DISTRICT (MONTEREY AND SAN BENITO COUNTIES, CALIFORNIA) ELECTION OF 2016 GENERAL OBLIGATION BONDS, SERIES B, AND ACTIONS RELATED THERETO**

**WHEREAS**, a duly called election (the “Bond Election”) was held in the Hartnell Community College District (the “District”), Monterey County (the “County”) and San Benito County (“San Benito County”, and together with the County, the “Counties”), State of California on November 8, 2016 and thereafter canvassed pursuant to law;

**WHEREAS**, at the Bond Election the

**WHEREAS**, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

**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 general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF TRUSTEES OF THE HARTNELL COMMUNITY COLLEGE DISTRICT, AS FOLLOWS:**

**SECTION 1. Authorization for Issuance of the Bonds.** To raise money for the purposes authorized by the voters of the District at the Bond Election, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more Series of Taxable or Tax-Exempt Current Interest Bonds, with appropriate series designations if more than one Series is issued, all as more fully set forth in the executed Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$70,000,000.

**SECTION 2. Paying Agent.** This Board hereby appoints the Paying Agent, as defined herein, to serve as the paying agent, bond registrar, authentication agent and transfer agent for the Bonds on behalf of the District. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Education Code (the "Education Code") Section 15232.

**SECTION 3. Terms and Conditions of Sale.** The Bonds shall be sold upon the direction of the Superintendent/President or the Vice President of Administrative Services of the District, or such other officer or employee of the District as may be designated by the Superintendent/President or the Vice President of Administrative Services (collectively, the "Authorized Officers") and pursuant to such terms and conditions set forth in the Purchase Contract (defined herein). The Board hereby authorizes

however, that (i) the interest rates on the Bonds shall not exceed maximum rate permitted by law, and (ii) the underwriting discount on the Bonds, excluding original issue discount, shall not exceed 0.295% of the aggregate principal amount of the Bonds actually issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$70,000,000 and to enter into and execute the Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

**SECTION 5. Certain Definitions.** As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Depository.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, as applicable (and unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing August 1, 2020 with respect to interest on the Bonds, and the stated maturity dates thereof with respect to payments of principal of the Bonds.

(d) **“Bond Register”** t4d( ) TJETBT1 0 0 1 265.25 411.43 Tm[(t4d( )] TJE43 Tm(1.43 Tm[1i8,7





**SECTION 6. Terms of the Bonds.**

(a) Denomination, Interest, Date of Delivery. The Bonds shall be issued as fully registered book-entry Bonds registered as to principal, in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds shall bear interest at a rate not in excess of that authorized at the Bond Election and will initially be registered in the name of “Cede & Co.,” as the Nominee of DTC.

Each Bond shall be dated as of the Date of Delivery, and shall bear interest at the rates set forth in the Purchase Contract, from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16<sup>th</sup> day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Date of Delivery. Interest on the Bonds shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of 12, 30-day months.

To the extent the issuance of Bonds includes Long Current Interest Bonds, the useful life of any facility financed with such Long Current Interest Bonds will equal or exceed the maturity of such Long Current Interest Bonds.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be







such Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register maintained by the Paying Agent in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, and all or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any Redemption Notice, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal of, premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of principal of, premium and interest on and to such Bond, for the purpose of giving Redemption Notices and other m7 538.9t5t.72.75 Tm[(N)14(o)10(t)7(3](e



request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

**SECTION 7. Execution of the Bonds.** The Bonds shall be signed by the President of the Board, or any other member of the Board authorized to sign on behalf of the President, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board, or the designees thereof, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

**SECTION 8. Paying Agent; Transfer and Exchange.** So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its designated corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of such Owner; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for a Bond of like Series, tenor, maturity and Transfer Amount upon presentation and surrender at the designated corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form

**SECTION 9. Payment.** Payment of interest on any Bond on any Bond Payment Date shall be made to the person appearing on the Bond Register of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer to such Owner on the Bond Payment Date to the bank and account number as it appears on such Bond Register or at such other address as he or she may have filed with the Paying Agent for that purpose on or before the Record Date. The principal of, and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The principal of, premium, if any, and interest on, the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are obligations of the District payable solely from the levy of *ad valorem* property taxes upon all property subject to taxation within the District, which taxes shall be without limit as to rate or amount. The Bonds do not constitute an obligation of the Counties except as provided in this Resolution, and no part of any fund of either of the Counties is pledged or obligated to the payment of the Bonds.

**SECTION 10. Form of Bonds.** The Bonds shall be in substantially the form attached as Exhibit A, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the Official Statement, or to correct or cure any defect, inconsistency, ambiguity or omission therein. The Paying Agent is authorized to deliver the Bonds in temporary form and, if so, the Paying Agent shall execute and deliver definitive Bonds in an equal aggregate principal amount of authorized denominations, when available, and thereupon the temporary Bonds shall be surrendered to the Paying Agent. Until so exchanged, the temporary Bonds shall be entitled to the same benefits hereunder as definitive Bonds.

**SECTION 11. Delivery of Bonds.** The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriter upon payment of the purchase price therefor.

**SECTION 12. Deposit of Proceeds of Bonds.** (a) The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of the principal amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "Hartnell Community College District Election of 2016 General Obligation Bonds, Series B Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and such proceeds shall be used solely for the purposes for which the Bonds are being issued, and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Bond Election. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. At the election of the District, (i) to the extent the Bonds are issued in more than one Series, there shall be created a separate Building Fund for each such Series of Bonds, with appropriate Series designation, and all references herein to the Building Fund shall be deemed to include any Building Fund created for a Series of Bonds, or (ii) the Building Fund may be established as a subaccount of, or otherwise combined with, a fund established by the County for the purpose of holding proceeds of bonds issued pursuant to the Authorization.

The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of any accrued interest and any net original issue premium, shall be paid to the credit of the fund hereby authorized to be created to be known as the "Hartnell Community College District Election of









**SECTION 16. Conditions Precedent.** The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the 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; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

**SECTION 17. Official Statement.** The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Clerk of or Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem

designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the

**SECTION 23. Other Actions.** (a) Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Morgan Stanley & Co. LLC as Underwriter, Keygent LLC as Municipal Advisor (the “Municipal Advisor”), and Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as Bond Counsel and Disclosure Counsel, each with respect to the issuance of the Bonds.

(c) The provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract or the Official Statement.

(d) Based on a good faith estimate from the Municipal Advisor, the District finds that (i) the True Interest Cost of the Bonds (as defined in Government Code Section 5852.1) is expected to be approximately 3.43%, (ii) the total Finance Charge of the Bonds (as defined in Government Code Section 5852.1) is expected to be \$496,500, (iii) the total proceeds expected to be received by the District from the sale of the Bonds, less the Finance Charge of the Bonds and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$69,710,000, and (iv) the District expects that the Total Payment Amount (as defined in Government Code Section 5852.1), calculated to the final maturity of the Bonds, will be \$120,036,700. The information presented in this section is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any provision of this Resolution.

**SECTION 24. Resolution to Treasurer-Tax Collectors.** The

**SECTION 27. Further Actions Authorized.** It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

[REMAINDER OF PAGE LEFT BLANK]

**SECTION 28. Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

PASSED, ADOPTED AND APPROVED this 16th day of June, 2020, by the following vote:

AYES: DePauw, Donohue, Lopez, Montemayor,

## SECRETARY'S CERTIFICATE

I, Patricia Hsieh, Secretary to the Board of Trustees of the Hartnell Community College District, Monterey and San Benito Counties, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of the District duly and legally held at the regular meeting place thereof on June 16, 2020, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

An Agenda of said meeting was posted at least 72 hours before said meeting at a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

**EXHIBIT A**  
**FORM OF BONDS**

**UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE PAYING AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN**

REGISTERED  
NO.

REGISTERED  
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HARTNELL COMMUNITY COLLEGE DISTRICT  
(MONTEREY AND SAN BENITO COUNTIES, CALIFORNIA)  
ELECTION OF 2016 GENERAL OBLIGATION BONDS, SERIES B

<u>INTEREST RATE:</u> ___% per annum	<u>MATURITY DATE:</u> August 1, 20___	<u>DATED AS OF:</u> _____, 2020	<u>CUSIP</u>
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REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The Hartnell Community College District (the "District") in Monterey and San Benito Counties, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Princip28r p28r R





The Term Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a



ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): \_\_\_\_\_ this Bond and irrevocably constitutes and appoints attorney to transfer this Bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within Bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, 1700 ...