

**BOARD OF TRUSTEES  
WINDSOR UNIFIED SCHOOL DISTRICT**

**RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL  
OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF  
NOT TO EXCEED \$16,000,000, AND REQUESTING THE BOARD OF  
SUPERVISORS OF SONOMA COUNTY TO SELL SAID BONDS ON  
BEHALF OF THE DISTRICT**

**WHEREAS**, a special bond election was duly and regularly held in the Windsor Unified School District (the "District") on February 5, 2008, for the purpose of submitting Measure B (the "Bond Measure") to the qualified electors of the District authorizing the issuance of general obligation bonds of the District in the maximum aggregate principal amount of \$50,000,000 (the "Bonds"), and more than 55% of the votes cast at said election were in favor of the issuance of the Bonds; and

**WHEREAS**, Section 15140 of the Education Code of the State of California (the "Education Code") requires that general obligation bonds of the District be offered for sale by the Board of Supervisors of the County of Sonoma (the "County") as soon as possible following receipt of a resolution adopted by the Board of Trustees of the District; and

**WHEREAS**, \$15,225,000 of the bonds authorized by the Bond Measure have previously been issued, leaving \$34,775,000 unissued;

**WHEREAS**, the Board of Trustees of the District wishes at this time to institute proceedings for the issuance and sale of a second series of Bonds in the aggregate principal amount of not to exceed \$16,000,000;

**NOW, THEREFORE**, the Board of Trustees of the Windsor Unified School District hereby finds, determines, declares and resolves as follows:

**Section 1. Authorization and Terms of Series B Bonds.** The Board of Trustees hereby authorizes the issuance of a series of Bonds to be designated the "Windsor Unified School District (Sonoma County, California) General Obligation Bonds, Election 2008, Series B" in the aggregate principal amount of not to exceed \$16,000,000 (the "Series B Bonds"). The Series B Bonds shall be issued under Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code as in effect on the date of adoption hereof and as amended hereafter.

The Series B Bonds shall bear interest at the respective rates to be determined upon the sale of the Series B Bonds, payable on February 1 and August 1 in each year beginning February 1, 2010, and shall mature on August 1 in each of the years and in the respective amounts as determined upon the sale of the Series B Bonds. The term of the Series B Bonds shall not exceed 25 years.

**Section 2. Request to County to Sell Bonds.** In accordance with Section 15140 of the California Education Code, the Board of Trustees hereby requests the Board of Supervisors of the County to issue and sell the Series B Bonds in the name

and on behalf of the District. Proceeds of the Series B Bonds shall be expended by the District solely for purposes which are authorized under the Bond Measure.

**Section 3. Approval of Board of Supervisors Resolution.** The resolution of the Board of Supervisors authorizing the sale of the Series B Bonds (the "County Resolution"), in substantially the form on file with the Clerk of the Board, together with any additions thereto or changes therein deemed advisable by the Board of Supervisors and the Superintendent or the Chief Business Officer (each, an "Authorized Officer"), is hereby approved. The District agrees to carry out and perform all of the obligations imposed on it under the County Resolution. The Board of Trustees acknowledges and agrees to all of the provisions of the County Resolution which are binding on the District.

**Section 4. Sale of the Series B Bonds.** The Board of Supervisors of the County is hereby requested to sell the Series B Bonds by competitive public bidding. Bids shall be received, and the Series B Bonds shall be sold, subject to the terms and conditions set forth in the Official Notice of Sale in substantially the form on file with the Clerk of the Board, together with any additions thereto or changes therein deemed advisable by an Authorized Officer. The rate of interest on the Series B Bonds shall not exceed 8.00% per annum. The Board of Trustees has determined to sell the Series B Bonds by competitive public bidding for the following reasons:

- (a) for general obligation bonds, this method of sale is recommended by the California Debt and Investment Advisory Commission and by other agencies experienced in debt issuance;
- (b) competition to buy the District's bonds is reasonably expected to result in the lowest interest rates and the lowest overall cost for the District's taxpayers; and
- (c) in a competitive sale, the positive credit factors relating to the Series B Bonds will be publicly disseminated so that all interested bond purchasers can participate in the sale.

**Section 5. Professional Services; Estimated Financing Costs.** Northcross Hill & Ach has been selected to act as financial advisor to the District, and Jones Hall, A Professional Law Corporation, has been selected as the District's bond counsel. The estimated costs of issuance associated with the bond sale are \$\_\_\_\_\_, which includes the financial advisor and bond counsel fees, costs of printing the Official Statement, rating agency fees and paying agent fees, but which do not include underwriting fees and the cost of municipal bond insurance. The estimated cost of municipal bond insurance (if available and if economical) is \$\_\_\_\_\_ and the estimated cost of underwriting the issue (which will be determined upon the competitive sale of the Series B Bonds) will not exceed \$\_\_\_\_\_. All such costs and expenses shall be paid by the underwriter of the Series B Bonds in accordance with the provisions of the Official Notice of Sale which is approved under this Resolution.

**Section 6. Security for the Series B Bonds.** The Series B Bonds are general obligations of the District, and the Board of Trustees has the power to levy ad valorem taxes upon all property within the District subject to taxation, without limitation of rate or amount, for the payment of the Series B Bonds and the interest and redemption premium (if any) thereon, in accordance with and subject to Sections 15250 and 15252 of the Bond Law. The Board of Trustees hereby requests the County to levy ad valorem

taxes for the payment of the Series B Bonds and the interest thereon, without limitation as to rate or amount.

#### **Section 7. Tax Covenants.**

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Series B Bonds are not so used as to cause the Series B Bonds to meet the private business tests of Section 141(b) of the Internal Revenue Code of 1986, as amended (the "Tax Code") or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) Rebate Requirement. The District shall take any and all actions necessary to assure compliance with Section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Series B Bonds.

(d) No Arbitrage. The District shall not take, or permit or suffer to be taken by the County or otherwise, any action with respect to the proceeds of the Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Series B Bonds would have caused the Series B Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(e) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Series B Bonds from the gross income of the owners of the Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Series B Bonds.

**Section 8. Preparation of Official Statement.** The Board of Trustees hereby approves the preliminary Official Statement describing the Series B Bonds in the form on file with the Clerk of the Board, and hereby directs an Authorized Officer to approve additions and corrections thereto as required to cause the preliminary Official Statement to be deemed nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934. An Authorized Officer is hereby authorized, at the request of the purchaser of the Series B Bonds, to execute an appropriate certificate affirming his or her determination that the preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the preliminary Official Statement by the financial advisor to prospective bidders for the Series B Bonds is hereby approved. The final Official Statement shall be executed in the name and on behalf of the District by an Authorized Officer.

**Section 9. Building Fund.** The District hereby directs the County to establish, hold and maintain a fund to be known as the "Election 2008, Series B Building Fund", which the County shall maintain as a separate account, distinct from all other funds of the County and the District. The proceeds received by the County from the sale of the Series B Bonds shall be deposited in the Building Fund to the extent required by the

County Resolution, to be expended by the District solely for the acquisition or improvement of educational facilities for which the Series B Bond proceeds are authorized to be expended in accordance with the Bond Measure. All interest and other gain arising from the investment of amounts deposited to the Building Fund shall be retained in the Building Fund and used for the purposes thereof. At the written request of the District filed with the County, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from the Building Fund and transferred to the Debt Service Fund to be applied to pay the principal of and interest on the Series B Bonds.

**Section 10. Debt Service Fund.** The District hereby directs the County to establish, hold and maintain a fund to be known as the "Election 2008, Series B Debt Service Fund", which shall be maintained by the County as a separate account, distinct from all other funds of the County and the District. All taxes levied by the County, at the request of the District, for the payment of the principal of and interest and premium (if any) on the Series B Bonds in accordance with the County Resolution shall be deposited in the Debt Service Fund by the County promptly upon apportionment of said levy. The Debt Service Fund shall be pledged for the payment of the principal of and interest on the Series B Bonds when and as the same become due, including the principal of any term Series B Bonds required to be paid upon the mandatory sinking fund redemption thereof. Amounts in the Debt Service Fund, to the extent necessary to pay the principal of and interest and redemption premium (if any) on the Series B Bonds as the same become due and payable, shall be transferred by the County to the Paying Agent as required to pay the principal of and interest and redemption premium (if any) on the Series B Bonds.

If, after payment in full of the Series B Bonds, any amounts remain on deposit in the Debt Service Fund, such amounts shall be transferred to the General Fund of the District as provided in Section 15234 of the Education Code.

**Section 11. Continuing Disclosure.** The Board of Trustees hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the District and dated the date of issuance and delivery of the Series B Bonds.

**Section 12. Appointment of Paying Agent.** The Board of Trustees hereby appoints The Bank of New York Trust Company, N.A. to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Series B Bonds. The Paying Agent shall perform such functions as are imposed upon it under the County Resolution.

All fees and expenses incurred for services of the Paying Agent are the sole responsibility of the District. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution and the County Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution and the County Resolution. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

**Section 13. Costs of Issuance Custodian Agreement.** As provided in the Official Notice of Sale, the original purchaser of the Series B Bonds is required to pay the costs of issuing the Series B Bonds from its own funds as a condition to the purchase of the Series B Bonds. The Board of Trustees hereby authorizes an Authorized Officer to enter into a Costs of Issuance Custodian Agreement with The Bank of New York Trust Company, N.A. in the form on file with the Clerk of the Board. As provided in said agreement, amounts provided by the original purchaser for payment of the costs of issuing the Series B Bonds shall be deposited thereunder and the payment of costs shall be requisitioned by an Authorized Officer in accordance with said agreement.

**Section 14. Indemnification of County.** The District hereby agrees to indemnify, defend and hold harmless the County, including its Board, officers and employees (the "Indemnified Parties"), against the payment of any and all liabilities, losses, costs and expenses (including attorneys fees and court costs), damages and claims which any Indemnified Parties may incur in the exercise and performance of its or their powers and duties under this Resolution and the County Resolution which are not due to its or their negligence or bad faith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

**Section 15. Findings.** The Board of Trustees hereby finds and determines that 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 Series B Bonds is within all limits prescribed by law.

**Section 16. Official Actions.** The President of the Board, the Superintendent, the Chief Business Officer, the Clerk of the Board and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series B Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

**Section 17. Effective Date of Resolution.** This Resolution shall take effect from and after the date of its passage and adoption.

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The foregoing Resolution was adopted by the Board of Trustees of the Windsor Unified School District by the following vote on May 19, 2009.

AYES:

NOES:

ABSENT:

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Clerk of the Board of Trustees  
of the Windsor Unified School District