

RESOLUTION NO. 2025-465

A RESOLUTION OF THE SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT BOARD OF DIRECTORS AUTHORIZING THE EXECUTION, DELIVERY AND SALE OF WASTEWATER REVENUE CERTIFICATES OF PARTICIPATION IN THE MAXIMUM PRINCIPAL AMOUNT OF \$4,464,000 TO FINANCE (AND REFINANCE) COSTS OF THE "REDUNDANCY PROJECT," AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the South San Luis Obispo County Sanitation District (the "District") owns and operates facilities and property for the transportation, treatment and disposal of wastewater within the service area of the District (the "Wastewater System"); and

WHEREAS, the Board of Directors of the District wishes at this time to provide funds to finance certain capital expenditures relating to the Wastewater System referred to as the "Redundancy Project" (the "Project"); and

WHEREAS, in order to provide financing for the Project from the United States Department of Agriculture-Rural Development, the District has requested that the CSDA Finance Corporation, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation"), enter into an Installment Sale Agreement (the "Installment Sale Agreement") with the District; and

WHEREAS, in order to raise funds for such purposes, the Corporation proposes to assign its rights under the Installment Sale Agreement to the District Administrator, as trust administrator (the "Trust Administrator"), and the Corporation, the Trust Administrator and the District propose to enter into a Trust Agreement under which the Trust Administrator will execute and deliver Wastewater Revenue Certificates of Participation, in one or more series (collectively, the "Certificates"); and

WHEREAS, California Government Code Section 5852.1 requires that certain financial information be obtained and disclosed with respect to the Certificates by the Board of Directors of the District, and said information is set forth in the staff report accompanying this Resolution; and

WHEREAS, the Board of Directors wishes to authorize the execution, delivery and sale of the Certificates at this time for the purpose of providing funds to finance the Project;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the South San Luis Obispo County Sanitation District as follows:

Section 1. Approval of Financing Plan and Related Documents. The Board of Directors hereby approves the execution, delivery and sale of the Certificates in the maximum principal amount of \$4,464,000 for the purpose of providing funds to finance (and refinance) the Project, via the pay-off of the District's previously issued \$4,465,000 principal amount of 2020 Wastewater Revenue Certificates of Participation, Series B (the "2020B Certificates") as-due on September 1, 2025. To that end, the Board of Directors hereby approves each of the following financing documents in substantially the respective forms on file with the Secretary, together with any changes therein or additions thereto approved by the Chair or the District Administrator (each, an "Authorized Officer"), and the execution thereof by an Authorized Officer shall be conclusive evidence of such approval:

- **Installment Sale Agreement** between the District and the Corporation, under which the Corporation agrees to provide funds to finance (and refinance) the Project in consideration of semi-annual payments to be made by the District from the net revenues of the Wastewater System.
- **Trust Agreement** among the District, the Corporation and the Trust Administrator, whereby the Trust Administrator agrees to execute and deliver the Certificates and to apply the proceeds thereof to accomplish the purposes of the refinancing.
- **Escrow Deposit and Trust Agreement**, between the District and The Bank of New York Mellon Trust Company, N.A., as trustee and escrow agent, related to the defeasance and payment of the 2020B Certificates.

Each Authorized Officer, acting alone, is hereby authorized and directed for and in the name and on behalf of the District to execute the final form of each of the foregoing documents, and the Secretary is hereby authorized and directed to attest to the final form of each of the foregoing documents, if necessary. The schedule of semiannual payments attached to the Installment Sale Agreement shall correspond to the payments of principal and interest represented by the Certificates, to be determined upon the sale thereof.

Section 2. Approval of Sale to USDA. An offer to purchase the Certificates, submitted to the District by the United States of America, acting through Rural Utilities Service, U.S. Department of Agriculture, is hereby approved, and the District Administrator is hereby authorized and directed to indicate the District's acceptance of such offer by the execution thereof, with such changes, insertions, and omissions as may be approved by such official, so long as the aggregate principal amount of the Certificates does not exceed \$4,464,000.

Section 3. Engagement of Professional Services. The Board of Directors hereby approves, confirms and ratifies the engagement of Bartle Wells Associates to act as financial advisor to the District in connection with the sale of the Certificates. The Board of Directors hereby further approves, confirms, and ratifies the engagement of the law firm of Jones Hall, A Professional Law Corporation, to act as special counsel to the District in connection with the execution and delivery of the Certificates. Each Authorized Officer, acting alone, is hereby authorized and directed to execute an agreement with each of said firms on behalf of the District.

Section 4. Official Actions. The Chair, the District Administrator, the Secretary and all other officers of the Board of Directors and the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the execution, delivery and sale of the Certificates and any of the other transactions contemplated by the agreements and documents approved pursuant to this Resolution. 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 5. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

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CERTIFICATION:

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the South San Luis Obispo County Sanitation District held this 2 day of July 2025.



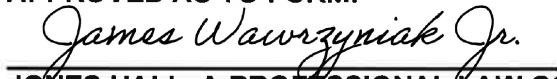
**CHAIR, BOARD OF DIRECTORS
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

ATTEST:



DISTRICT BOOKKEEPER/SECRETARY

APPROVED AS TO FORM:



**JONES HALL, A PROFESSIONAL LAW CORPORATION
SPECIAL COUNSEL TO THE DISTRICT**

CONTENTS:



**JEREMY GHENT
DISTRICT ADMINISTRATOR**

PASSED AND ADOPTED at a regular meeting of the South San Luis Obispo County Sanitation District Board of Directors held this 2 day of July 2025.

On the motion of Director Ray Russom, seconded by Director Austin, and by the following roll call vote:

AYES: 3
NOES: 0
ABSENT: 0
ABSTAINED: 0