

# Public Financing Authority Meeting Agenda



OCTOBER 13, 2020

6:00 p.m.

City of Turlock Yosemite Room

156 S. Broadway, Turlock, California

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**NOTICE: THIS MEETING WILL BE HELD IN ACCORDANCE WITH EXECUTIVE ORDER N-29-20, ISSUED BY CALIFORNIA GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020, THE RALPH M. BROWN ACT (CALIFORNIA GOVERNMENT CODE SECTION 54950, ET SEQ.), AND THE FEDERAL AMERICANS WITH DISABILITIES ACT.**

**THIS MEETING WILL NOT BE PHYSICALLY OPEN TO THE PUBLIC.**

**THE MEETING WILL BE STREAMED ON THE CITY OF TURLOCK WEBSITE AT [WWW.CITYOFTURLOCK.ORG](http://WWW.CITYOFTURLOCK.ORG) AND BROADCASTED ON SPECTRUM CHANNEL 2.**

**MEMBERS OF THE PUBLIC MAY ALSO PARTICIPATE IN THE MEETING VIA THE FOLLOWING METHODS:**

**JOIN BY CLICKING ON THE MEETING LINK: <https://us02web.zoom.us/j/84924629186>**

OR

**JOIN BY ACCESSING THE ZOOM WEBSITE: <https://zoom.us/join>  
WEBINAR ID: 849 2462 9186**

OR

**JOIN BY TELEPHONE: 669-900-6833  
WEBINAR ID: 849 2462 9186**

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Chair  
Amy Bublak

Agency Members

Nicole Larson  
Andrew Nosrati

Gil Esquer  
Becky Arellano

Executive Director  
Toby Wells  
Secretary  
Jennifer Land  
City Attorney  
Douglas L. White

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**NOTICE REGARDING NON-ENGLISH SPEAKERS:** The Turlock Public Financing Authority meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

**EQUAL ACCESS POLICY:** If you have a disability which affects your access to public facilities or services, please contact the City Clerk's Office at (209) 668-5540. The City is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the City to process and respond to your request.

**NOTICE:** Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Public Financing Authority on any item appearing on the agenda, including Consent Calendar and Public Hearing items, before or during the Public Financing Authority's consideration of the item.

**AGENDA PACKETS:** Prior to the Public Financing Authority meeting, a complete Agenda Packet is available for review on the City's website at [www.cityofturlock.org](http://www.cityofturlock.org) and in the City Clerk's Office at 156 S. Broadway, Suite 230, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Public Financing Authority after distribution of the Agenda Packet are also available for public inspection in the City Clerk's Office. Such documents may be available on the City's website subject to staff's ability to post the documents before the meeting.

- 0.    **A.    CALL TO ORDER**
- B.    ROLL CALL**
- C.    DECLARATION OF CONFLICTS**

**1.    APPROVAL OF AGENDA AS POSTED OR AMENDED**

This is the time for the Public Financing Authority to remove items from the agenda or to change the order of the agenda. Matters may be taken up out of order of the established agenda by a four-fifths vote of the Public Financing Authority.

**2.    PUBLIC PARTICIPATION**

***MEMBERS OF THE PUBLIC WISHING TO ADDRESS THE PUBLIC FINANCING AUTHORITY WILL BE GIVEN THE SAME TIME ALLOTMENT FOR COMMENTS (3 MINUTES) AS NORMALLY ALLOWED FOR MEETINGS SUBJECT TO THE PROVISIONS OF EXECUTIVE ORDER N-29-20.***

Pursuant to California Government Code Section 54954.3(a), this is the time set aside for members of the public to directly address the Public Financing Authority on any item of interest to the public that is within the subject matter jurisdiction of the Public Financing Authority and to address the Agency on any item on tonight's agenda, including Consent Calendar items. You will be allowed three (3) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Agency addresses the matter.

Pursuant to California Government Code Section 54954.2(a)(3), no action or discussion may be undertaken on any item not appearing on the posted agenda, except that the Public Financing Authority, or its staff, may briefly respond to comments or questions from members of the public, provide a reference to staff or other resources for factual information, or direct staff to place the issue on a future agenda.

**3.    CONSENT CALENDAR:**

Information concerning the consent items listed hereinbelow has been forwarded to each Agency Member prior to this meeting for study. Unless the Chair, an Agency Member, or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Agency. The action taken by the Agency in approving the consent items is set forth in the explanation of the individual items.

- A.    ***Motion:*** Accepting Minutes of the Regular Meeting of the Public Financing Authority of May 23, 2017

**4.    ACTION ITEMS:**

- A.    Request to authorize the issuance and sale of Turlock Public Financing Authority Water Revenue Bond Anticipation Notes, Series 2020, in an aggregate principal amount not to exceed \$130,000,000; approve the form of and authorize the execution and delivery of a Supplemental Indenture, a Supplement to Master Installment Purchase Agreement, a Bond Purchase Agreement, and an Official Statement relating to an installment purchase financing; and approve certain actions in connection therewith (*Lorenzi*)

***Recommended Action:***

***Resolution:*** Authorizing the issuance and sale of Turlock Public Financing Authority Water Revenue Bond Anticipation Notes, Series 2020, in an aggregate principal amount not to exceed \$130,000,000; approving the form of and authorizing the execution and delivery of a Supplemental Indenture, a Supplement to Master Installment Purchase Agreement, a Bond Purchase Agreement, and an Official Statement relating to an installment purchase financing; and approving certain actions in connection therewith

**5. ADJOURNMENT**



- 1. **CALL TO ORDER** – Vice Chair DeHart called the meeting to order at 9:03 p.m.  
PRESENT: Agency Members Gil Esquer, Bill DeHart, Amy Bublak (*via teleconference*), Matthew Jacob, and Chair Gary Soiseth (*via teleconference*).  
ABSENT: None

2. **PUBLIC PARTICIPATION:** None

3. **DECLARATION OF CONFLICT OF INTEREST AND DISQUALIFICATIONS:** None

4. **CONSENT CALENDAR**

**Action:** Motion by Agency Member Jacob, seconded by Agency Member Soiseth, adopting the consent calendar. Motion carried 5/0, by the following vote:

Agency Member Esquer	Agency Member DeHart	Agency Member Bublak	Agency Member Jacob	Chair Soiseth
Yes	Yes	Yes	Yes	Yes

- A. Motion: Accepting Minutes of Regular Meeting of the Public Financing Authority of October 11, 2016

5. **PUBLIC HEARINGS:** None

6. **SCHEDULED MATTERS:**

*Vice Chair DeHart noted Public Financing Authority Scheduled Matters Items 6A would be handled concurrently with the Regular City Council Meeting Scheduled Matters Item 8K.*

- A. Senior Accountant Marie Lorenzi presented the staff report on the request to authorize the issuance and sale of Turlock Public Financing Authority Water Revenue Bonds, Series 2017, in an aggregate principal amount not to exceed: (A) in the event that no debt service reserve fund is funded for the Bonds, \$27,000,000; or (b) in the event that a debt service reserve fund is funded for the Bonds, \$29,000,000; approve the form of and authorize the execution and delivery of an Indenture, a Master Installment Purchase Agreement, a 2017 Supplement thereto, a Bond Purchase Agreement and an Official Statement relating to an installment purchase financing; and approve certain actions in connection therewith.

Agency Members and staff discussed this item.

Vice Chair DeHart opened public participation. No one spoke. Vice Chair DeHart closed public participation.



**Action:** **Resolution No. PFA-2017-001:** Authorizing the issuance and sale of Turlock Public Financing Authority Water Revenue Bonds, Series 2017, in an aggregate principal amount not to exceed: (A) in the event that no debt service reserve fund is funded for the Bonds, \$27,000,000; or (b) in the event that a debt service reserve fund is funded for the Bonds, \$29,000,000; Approving the form of and Authorizing the execution and delivery of an Indenture, a Master Installment Purchase Agreement, a 2017 Supplement thereto, a Bond Purchase Agreement and an Official Statement relating to an installment purchase financing; and approving certain actions in connection therewith as introduced by Agency Member Jacob, seconded by Agency Member Soiseth, and carried 5/0 by the following vote:

Agency Member Esquer	Agency Member DeHart	Agency Member Bublak	Agency Member Jacob	Chair Soiseth
Yes	Yes	Yes	Yes	Yes

**7. ADJOURNMENT**

Motion by Agency Member Esquer, seconded by Chair Soiseth, to adjourn the meeting at 9:12 p.m.  
Motion carried unanimously.

RESPECTFULLY SUBMITTED

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Jennifer Land  
City Clerk

**Turlock Public Financing Authority**  
**Staff Report**  
**October 13, 2020**



4A

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From: Toby Wells, P.E., City Manager  
Prepared by: Tina Envia, Interim Finance Director  
Marie Lorenzi, Senior Accountant  
Agendized by: Toby Wells, P.E., City Manager

**1. ACTION RECOMMENDED:**

Resolution: Authorizing the issuance and sale of Turlock Public Financing Authority Water Revenue Bond Anticipation Notes, Series 2020, in an aggregate principal amount not to exceed \$130,000,000; approving the form of and authorizing the execution and delivery of a Supplemental Indenture, a Supplement to Master Installment Purchase Agreement, a Bond Purchase Agreement, and an Official Statement relating to an installment purchase financing; and approving certain actions in connection therewith

**2. SYNOPSIS:**

Authorizing the issuance and sale of up to \$130,000,000 million in Turlock Public Financing Authority Water Revenue Bonds Anticipation Notes, Series 2020; approving the form of a Supplemental Indenture, Supplement to Master Installment Purchase Agreement, Bond Purchase Agreement, and Official Statement associated with the issuance of bonds to provide interim financing for the City's share of the costs associated with the Stanislaus Regional Water Authority's construction of a surface water treatment plant and related improvements and authorizing the execution and delivery of these documents.

**3. DISCUSSION OF ISSUE:**

As has occurred with other debt issuances, the Turlock Public Financing Authority is the legal entity through which the City issues debt. At its June 11, 2020 meeting, the Turlock City Council approved moving forward with its participation in the Stanislaus Regional Water Authority's (SRWA) surface water treatment project and directed staff to put together an interim financing plan to provide the necessary cash flow until the SRWA's State Revolving Fund loan (SRF) process is completed. As discussed during that meeting, the proceeds from the SRF loan are intended to be the permanent financing vehicle for the City's share of the surface water project.

Staff engaged the necessary professional service providers (municipal advisor, bond counsel, underwriter, and disclosure counsel, trustee and rating agency(ies)) and have been working on developing the documents necessary to issue a 2020 Water Revenue Bond Anticipation Note (BAN). This debt will be issued by the Turlock Public Financing Authority (PFA). The City and the PFA will enter into a Supplement Master Installment Purchase Agreement (SMIPA) (supplement to the MIPA issued for the 2017 Water Revenue Bonds) which will obligate the City to make payments to the PFA for the retirement of the debt.

The BANs, which carry interest rate coupons of four percent (4%) and will mature in March 2027. Staff is working to finalize the date at which the BANs will be eligible to be called (retired). At this time, we believe it will be September 1, 2021. City Staff anticipates that the proceeds of the SRF loan will be available by this time and plans to use the proceeds of the SRF loan to retire the BAN.

At this time the Authority's Board is being asked to approve the following documents related to the Turlock Public Financing Authority Water Revenue Anticipation Notes, Series 2020 proposed to be issued on behalf of the City of Turlock:

- ✓ First Supplemental Indenture between the Turlock Public Financing Authority and U.S. Bank National Association (City's third-party trustee);
- ✓ 2020 Supplement to the Master Installment Purchase Agreement between the City of Turlock and the Turlock Public Financing Authority;
- ✓ Bond Purchase Agreement among Stifel Nicholas and Company (underwriter), the Turlock Public Financing Authority and the City of Turlock;
- ✓ Official Statement

The first two items are called "supplementals" because they incorporate definitions and provisions contained in the Indenture and Master Installment Purchase Agreement executed when the PFA issued the 2017-Refunding Water Bonds. The 2017 bond documents contained certain provisions governing the issuance of additional debt while the 2017 Bonds are still outstanding. The 2020 BANs are therefore being issued within those provisions.

The Indenture lays out various features of the bonds including (but not limited to) the terms, including interest rate, dates for interest and/or principal payments, and whether the bonds are callable; the conditions upon which additional parity bonds can be issued; the accounts to be established by the third-party trustee from which periodic debt service will be paid; how funds on hand with the third-party trustee may be invested; the revenue pledged for the repayment of the bonds; and various other subjects which aid in the orderly transaction of business related to the outstanding bonds. The Supplemental Indenture customizes the Indenture for terms and conditions related specifically to the issuance of the 2020 BANs.

The Master Installment Purchase Agreement and the Supplement thereto (MIPA) are agreements between the City of Turlock and the Turlock Public Financing Authority which detail the terms and conditions upon which the City covenants to

use the revenue generated by the Water Fund to pay the maintenance and operations expenses associated with the City's Water operations; pay for capital improvements related to the Water operations; and make the periodic interest and principal payments due on the outstanding bonds. Section 1 of the Resolution states a maximum par amount for the BANs of \$130 million.

The Bond Purchase Agreement (BPA) is between the City of Turlock, the Turlock Public Financing Authority, and Stifel, Nicholas & acting as underwriter for the bond issuance. Under the BPA, the underwriter agrees to buy the bonds at specified prices and interest rates, subject to the receipt of certain opinions, certificates and other conditions. The Bond Purchase Agreement will be presented for execution to the City and the Authority as soon as the underwriter has completed the offering to the investors and the pricing of the 2020 Bonds. Section 4 of the Resolution specifies that the Bond Purchase Agreement will only be executed if the true interest cost of the 2020 BANs does not exceed four and one-half (4.5%) percent and the underwriter's discount does not exceed four tenths of one percent (0.40%) percent of the principal amount of the 2020 BANs.

Preliminary Official Statement/Official Statement – A Preliminary Official Statement has been prepared to provide material information to investors regarding the terms of and the security for the 2020 BANs. The Preliminary Official Statement contains descriptions of the legal and financial aspects of the 2020 BANs, as well as a summary of various related legal documents. Certain information which will be determined upon the pricing of the 2020 BANs (such as the final principal amount, the interest rates and the redemption dates) are either omitted or noted as "preliminary, subject to change" in the Preliminary Official Statement. The Underwriter will use the Preliminary Official Statement to market the 2020 BANs to the potential investors. Once the 2020 BANs have been priced, the final pricing information will be inserted into the Preliminary Official Statement, thereby converting it to the Official Statement. The Underwriter will then distribute the Official Statement to the individuals and institutions that placed orders to buy the 2020 BANs from the Underwriter.

#### **4. BASIS FOR RECOMMENDATION:**

The City's bond and disclosure counsel have reviewed and approved all the pertinent documents before the Authority and the City for approval. It should be noted that these documents are in what is commonly referred to as "substantially complete form". This means that there are still blanks to fill in which cannot be completed until the bonds are sold. If any changes effect the financial parameters outlined in the Resolution before the Authority, these changes will be brought back before the Authority Board and the City Council for further discussion and direction.

As previously noted, the Authority is the legal entity that issues bonds on behalf of the City. The Authority uses the proceeds of the bond issuance to finance projects on behalf of the City, and the City purchases such projects from the Authority. The City makes installment payments to the Authority for the purchase of such projects which are used to make principal and interest payments to the bond holders. Since



this issuance will be a negotiated sale, the underwriter purchases the bonds from the Authority and then either holds them in their portfolio or sells them to other investors. All these dynamics are the reasons for the documents currently before the Authority Board for approval.

Staff is recommending approval of the attached Resolution by the Authority Board so Staff can proceed with the issuance of the BANs.

As discussed in the June 11, 2020 Council meeting, the ultimate funding source for the City's portion of the surface water treatment plant project is an SRF loan from the State of California. The SRWA's SRF financing application is in the review process with the State and at this time Staff anticipates that this process won't be finalized until December 2020 with actual proceeds not being available until mid to late 2021 to pay invoices. The SRWA has awarded the design-build contract for the project in June 2020 and is proceeding with the project. The proposed BANs will provide cash flow funding necessary to pay the City's proportionate share of costs between now and the availability of SRF loan proceeds.

**5. FISCAL IMPACT / BUDGET AMENDMENT:**

Based on current market conditions, the following are the projected financial specifics related to the bond sale:

Total Proceeds	\$120 million
True Interest Cost	3.5%

As discussed in the June 11, 2020 Turlock City Council meeting, the ultimate funding source for the City's portion of the surface water treatment plant project is an SRF loan from the State of California. The SRWA's SRF financing application is in the review process with the State and at this time Staff anticipates that this process won't be finalized until December 2020 with actual proceeds not being available until mid to late 2021 to pay invoices. The SRWA has awarded the design-build contract for the project in June 2020 and is proceeding with the project. The proposed BANs will provide cash flow funding necessary to pay the City's proportionate share of costs between now and the availability of SRF loan proceeds.

The Authority is being asked to approve a bond principal amount (par) not to exceed \$130 million with a true interest cost that does not exceed 4.5%. The purpose for setting the maximum par and interest rate higher than the currently projected amount needed is so that in the event market conditions change between now and the time of issuance, which is currently planned for early November 2020, this item does not need to be brought back to the Authority for further consideration and direction in order to proceed with the issuance.

**6. EXECUTIVE DIRECTOR'S COMMENTS**

Recommend Approval.

**7. ENVIRONMENTAL DETERMINATION:**

N/A

**8. ALTERNATIVES:**

A. The Authority may choose not to proceed with the proposed BAN issuance.

**BEFORE THE BOARD OF DIRECTORS OF THE  
TURLOCK PUBLIC FINANCING AUTHORITY**

**IN THE MATTER OF AUTHORIZING THE }  
ISSUANCE AND SALE OF TURLOCK PUBLIC }  
FINANCING AUTHORITY WATER REVENUE }  
BOND ANTICIPATION NOTES, SERIES 2020, }  
IN AN AGGREGATE PRINCIPAL AMOUNT }  
NOT TO EXCEED \$130,000,000; APPROVING }  
THE FORM OF AND AUTHORIZING THE }  
EXECUTION AND DELIVERY OF A }  
SUPPLEMENTAL INDENTURE, A }  
SUPPLEMENT TO MASTER INSTALLMENT }  
PURCHASE AGREEMENT, A BOND }  
PURCHASE AGREEMENT, AND AN OFFICIAL }  
STATEMENT RELATING TO AN }  
INSTALLMENT PURCHASE FINANCING; AND }  
APPROVING CERTAIN ACTIONS IN }  
CONNECTION THEREWITH }**

**RESOLUTION NO. PFA 2020-**

**WHEREAS**, the City of Turlock (the "City") and the former Turlock Redevelopment Agency entered into a Joint Exercise of Powers Agreement establishing the Turlock Public Financing Authority (the "Authority"), a California joint exercise of powers entity duly organized to provide financial assistance to the City; and

**WHEREAS**, the Authority and the City have previously entered into a Master Installment Purchase Agreement, dated as of June 1, 2017 (as supplemented and amended, the "Agreement"), for the construction, replacement and improvement from time to time to the Water System (as defined in the Agreement) of the City (the "Project"); and

**WHEREAS**, under the Agreement, the Authority may from time to time agree to acquire and sell components of the Project to the City in return for the payment of installment payments therefor (the "Installment Payments") to be secured by a pledge of net revenues of the Water System, as provided therein; and

**WHEREAS**, the City has determined that the purchase of dedicated water capacity in a new water treatment plant and related facilities to be constructed by the Stanislaus Regional Water Authority as a component of the Project (the "2020 Components") is necessary and proper for City uses and purposes; and

**WHEREAS**, in order to provide for the financing of the 2020 Components in anticipation of a long-term financing expected to be obtained by the Stanislaus Regional Water Authority on behalf of the City and the City of Ceres from the State Water Resources Control Board under the Drinking Water State Revolving Fund program (the "Take-Out Financing"), the City and the Authority propose to enter into a supplement to the Agreement (the "2020 Supplement"), pursuant to which the Authority will agree to sell to the City, and the City will agree to purchase from the Authority such 2020 Components, and pursuant to which the City will make Installment Payments (the "2020 Installment Payments") to pay for the 2020 Components of the Project; and

**WHEREAS**, in furtherance of the financing of the 2020 Components, the Authority proposes to issue its Water Revenue Bond Anticipation Notes, Series 2020 (the "2020 Bonds") in an aggregate principal amount not to exceed \$130,000,000; and

**WHEREAS**, in order to provide for the authentication and delivery of the 2020 Bonds, to establish and declare the terms and conditions upon which the 2020 Bonds are to be issued and secured and to secure the repayment thereof, it is proposed that the Authority and U.S. Bank National Association (the "Trustee") enter into a First Supplemental Indenture (the "First Supplemental Indenture") supplementing the Indenture, dated as of June 1, 2017 (as so supplemented, the "Indenture"), between the Authority and the Trustee; and

**WHEREAS**, the 2020 Installment Payments payable under the 2020 Supplement will be secured by Net System Revenues (as defined in the Agreement) and the proceeds of the Take-Out Financing (if any).

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Turlock Public Financing Authority as follows:

Section 1. The issuance of the 2020 Bonds in the aggregate principal amount of not to exceed \$130,000,000, on the terms and conditions set forth in and subject to the limitations specified in the Indenture, is hereby authorized and approved. The 2020 Bonds are authorized to be executed for and in the name and on behalf of the Authority by the manual or facsimile signature of the Chair or Executive Director of the Authority and attested to by the manual or facsimile signature of the Secretary of the Authority. The 2020 Bonds, when so executed and attested, are authorized to be delivered to the Trustee for authentication.

Section 2. The form of First Supplemental Indenture, a copy of which is on file in the office of the Secretary of the Authority or his or her designee (the "Secretary") and submitted to this meeting, is hereby approved. The Executive Director and the Executive Director's designee (each, an "Authorized Officer"), each acting alone, are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute the First Supplemental Indenture, and the Secretary is authorized to attest thereto, with such additions and changes therein (including, but not limited to, any additions or changes necessary to provide for the funding of a debt service reserve fund for the 2020 Bonds) as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The form of the 2020 Supplement, a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the 2020 Supplement, and the Secretary is authorized to attest thereto, with such additions and changes therein (including, but not limited to, any additions or changes necessary to provide for the funding of a debt service reserve fund for the 2020 Bonds) as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the installment payments to be contained in the 2020 Supplement shall be determined or approved by an Authorized Officer upon the sale of the 2020 Bonds, but the principal portion thereof shall not exceed \$130,000,000 in aggregate principal amount and shall be for a term ending not later than March 1, 2027.

**Section 4.** The form of Bond Purchase Agreement relating to the sale of the 2020 Bonds (the "Bond Purchase Agreement"), among the underwriter named therein (the "Underwriter"), the Authority and the City, a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement, and the Secretary is authorized to attest thereto, with such additions and changes therein (including, but not limited to, any additions or changes necessary to provide for the funding of a debt service reserve fund for the 2020 Bonds) as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the 2020 Bonds shall bear interest at a true interest cost not to exceed 4.50% and the Bond Purchase Agreement shall provide for an underwriter's discount of not more than 0.40% of the principal amount of the 2020 Bonds.

**Section 5.** The form of the preliminary official statement relating to the 2020 Bonds (the "Preliminary Official Statement"), a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved, with such additions and changes (including, but not limited to, any additions or changes necessary to provide for the funding of a debt service reserve fund for the 2020 Bonds) as may be approved, with the advice of counsel, by any Authorized Officer. The Authorized Officers, each acting alone, are hereby authorized on behalf of the Authority to certify to potential purchasers of the 2020 Bonds that the Preliminary Official Statement is deemed "final" (as it relates to the Authority) for the purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") (except for the omission of certain final pricing, rating and related information as permitted by the Rule). The Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver to the Authority and the Underwriter a final Official Statement (the "Official Statement") in substantially the form of the Preliminary Official Statement, with such additions and changes (including, but not limited to, any additions or changes necessary to provide for the funding of a reserve fund for the 2020 Bonds) as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution of said Official Statement. The printing, delivery and distribution of the Preliminary Official Statement and the Official Statement is hereby approved, and the Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement and the Official Statement to persons who may be interested in the purchase of the 2020 Bonds and is directed to deliver copies of the Official Statement to all purchasers of the 2020 Bonds.

**Section 6.** The Board of Directors hereby approves the execution and delivery of the First Supplemental Indenture, the 2020 Supplement, the Bond Purchase Agreement, the Official Statement, the Continuing Disclosure Certificate, the Tax Certificate and Agreement and all certificates relating thereto with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the California Government Code using DocuSign.

**Section 7.** All actions heretofore taken by any officers, employees or agents of the Authority with respect to the issuance, delivery or sale of the 2020 Bonds, or in connection with or related to any of the documents referenced herein or the financing of the 2020 Components, are hereby approved, confirmed and ratified; and the Authorized Officers are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other

documents (including but not limited to a Tax Certificate and Agreement), which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2020 Bonds, the disbursement of proceeds thereof in accordance with this Resolution and the financing of the 2020 Components.

Section 8. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Turlock Public Financing Authority this 13<sup>th</sup> day of October, 2020, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT

ATTEST:

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Jennifer Land, City Clerk  
City of Turlock, County of Stanislaus,  
State of California

**REFER TO  
CITY COUNCIL  
AGENDA ITEM 9C  
FOR THE  
SUPPORTING  
DOCUMENTATION  
TO THIS ITEM**