

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NAPA
SANITATION DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO
EXCEED \$17,000,000 PRINCIPAL AMOUNT OF 2017 REFUNDING
REVENUE BONDS AND APPROVING CERTAIN DOCUMENTS AND
AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Board of Directors (the “Board”) of the Napa Sanitation District (the “District”) has determined to refinance the acquisition of certain wastewater system improvements (collectively, the “Project”), more particularly described in the Installment Purchase Agreement (the “Installment Purchase Agreement”) dated as of October 1, 2009, between the District and the Napa Sanitation District Public Financing Corporation (the “Corporation”); and

WHEREAS, the District previously caused the execution and delivery of the \$26,675,000 Napa Sanitation District Refunding Revenue Certificates of Participation, Series 2009B (1998 Refunding Project) (the “2009 Certificates”); and

WHEREAS, debt service on the 2009 Certificates is secured by the Installment Payments made by the District under the Installment Purchase Agreement; and

WHEREAS, in order to accomplish the refinancing of the Project, the defeasance of the outstanding 2009 Certificates and the prepayment of the 2009 Certificates maturing on and after August 1, 2020, the District desires to issue refunding revenue bonds, (the “2017 Bonds”), pursuant to that certain Indenture of Trust (the “Indenture”), by and between the District and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), the form of which has been presented to this Board at the meeting at which this Resolution has been adopted; and

WHEREAS, the District’s obligation to make the payments with respect to the 2017 Bonds will be payable from Net Revenues of the Wastewater System (as such terms are defined in the Indenture); and

WHEREAS, the District will provide for prepayment and defeasance of the 2009 Certificates from the proceeds of the 2017 Bonds and pursuant to the terms of an escrow agreement by and between the District and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “Escrow Agreement”), in substantially the form presented herewith; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Napa Sanitation District that:

SECTION 1. The Indenture, in substantially the form on file with the Secretary and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Chairperson, the Vice Chairperson, the General Manager and the Director of Administrative Services, or the designee thereof (each, an “Authorized Officer”) are hereby authorized and directed to execute and deliver the Indenture with such changes, insertions and omissions as may be recommended by Stradling Yocca Carlson & Rauth, a Professional Corporation (“Bond Counsel”) and approved by the officers executing the same, said execution being conclusive evidence of such approval.

SECTION 2. The Board hereby authorizes the issuance, sale and delivery of the 2017 Bonds in an aggregate principal amount not to exceed \$17,000,000 in accordance with the terms and provisions of the Indenture. The purposes for which the proceeds of the 2017 Bonds shall be expended are to refinance the Project, to defease and prepay the 2009 Certificates, to fund a reserve fund, if required, and to pay the costs of delivery of the 2017 Bonds.

SECTION 3. The Bond Purchase Contract (the "Purchase Contract") by and between the District and Raymond James & Associates, Inc. (the "Underwriter"), in substantially the form on file with the Secretary and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Purchase Contract with such changes, insertions and omissions as may be recommended by Bond Counsel and approved by the person executing the same, said execution being conclusive evidence of such approval; provided, however, that in no event shall (a) the underwriting discount for the 2017 Bonds exceed 0.50% of the aggregate principal amount of the 2017 Bonds, or (b) the net present value savings achieved by the issuance of the 2017 Bonds and the defeasance and prepayment of the 2009 Certificates be less than 3.0%.

SECTION 4. The Escrow Agreement, in substantially the form on file with the Secretary and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be recommended by Bond Counsel and approved by the officers executing the same, said execution being conclusive evidence of such approval.

SECTION 5. The preparation and distribution of the Preliminary Official Statement, in substantially the form on file with the Secretary, is hereby approved. The Authorized Officers are hereby authorized to make such changes, insertions and omissions as may be recommended by Bond Counsel and to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Preliminary Official Statement. The Underwriter is hereby authorized to distribute copies of said Preliminary Official Statement to persons who may be interested in the initial purchase of the 2017 Bonds. The Authorized Officers are hereby authorized and directed to execute, approve and deliver the Official Statement in the form of the Preliminary Official Statement which, upon execution as authorized below, is made a part hereof as though set forth in full herein, with such changes, insertions and omissions as may be recommended by Bond Counsel and approved by the officer executing the same, said execution being conclusive evidence of such approval. The Underwriter is directed to deliver copies of any final Official Statement to all actual initial purchasers of the 2017 Bonds.

SECTION 6. The Continuing Disclosure Agreement of the District, in substantially the form on file with the Secretary and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be recommended by Bond Counsel and approved by the person executing the same, said execution being conclusive evidence of such approval.

SECTION 7. The Bank of New York Mellon Trust Company, N.A., is hereby appointed as Trustee on behalf of the owners of the 2017 Bonds, with the duties and powers of such Trustee as set forth in the Indenture.

SECTION 8. Stradling Yocca Carlson & Rauth, a Professional Corporation, is hereby confirmed to act as bond and disclosure counsel (“Bond Counsel”), and KNN Public Finance, LLC is hereby confirmed to act as municipal advisor (“Municipal Advisor”) with respect to the 2017 Bonds.

SECTION 9. The Authorized Officers and all other officers of the District are hereby authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary and advisable in order to consummate the sale and delivery of the 2017 Bonds, the refinancing of the Project and the defeasance and prepayment of the 2009 Certificates, including the execution of contracts with Bond Counsel and the Municipal Advisor, and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed. In the event that the Chairperson is unavailable or unable to execute and deliver any of the above-referenced documents, any other member of the Board may validly execute and deliver such document, and, in the event that the Secretary is unavailable or unable to execute and deliver any of the above-referenced documents, any deputy secretary or clerk may validly execute and deliver such document in his or her place.

SECTION 10. This Resolution shall take effect from and after its date of adoption.

I DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by a majority vote of the Board of Directors of the Napa Sanitation District on December 6, 2017.

AYES:

NOES:

ABSENT:

ABSTAIN:

NAPA SANITATION DISTRICT

Chairperson

ATTEST:

Secretary