Funding the Amador Gold Project

December 14, 2016
Background Information

On October 26 the Board gave direction to proceed with a 15 year financing with estimated annual savings of $495,717

- Financing team conducted a competitive process resulting in 4 bids
- Bank of America submitted the lowest cost bid

Clean Renewable Energy Bond (CREB)

- On October 20 District received a $3,980,000 award
- Saves approximately $1.1 million in interest costs

Tonight, considering the approval for the CREB and Tax Exempt Lease issuance

- Term and budget of financing is within parameters presented on October 26
<table>
<thead>
<tr>
<th>Project Cost Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Costs</strong></td>
</tr>
<tr>
<td>Amador Gold Program Costs</td>
</tr>
<tr>
<td>Transaction Costs</td>
</tr>
<tr>
<td>Capitalized Interest</td>
</tr>
<tr>
<td><strong>Total Project Funding Sources</strong></td>
</tr>
<tr>
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</tr>
<tr>
<td>Proposition 39 Contribution</td>
</tr>
<tr>
<td>District Capital Contribution</td>
</tr>
<tr>
<td>District COI Contribution</td>
</tr>
<tr>
<td>NCREB Proceeds</td>
</tr>
<tr>
<td>Tax Exempt Lease Proceeds</td>
</tr>
<tr>
<td><strong>Total Project Funding Sources</strong></td>
</tr>
</tbody>
</table>
Annual Utility Cost Reductions and the CREB Subsidy Exceed the Combined Debt Service of the CREB and Tax Exempt Lease

Annual utility budget savings of approx. $527,000 while Financing is outstanding
Financing Terms/Statistics

- Lease-purchase structure
  - School 1 & 2
- Pre-payable anytime at 102%
- 15 year term
- All-In True Interest Cost of 1.941%
  - 1.620% CREB and 2.32% TELP
- Estimated total debt service of $9,426,379
  - Estimated total net debt service of $7,884,125
Risks

- Budget full debt service payment
- IRS subsidy subject to filing form 8038-TC annually
- IRS subsidy subject to Federal funding allocation
Moving Forward

Tonight’s Resolution
- Authorizes the issuance of CREBs and a Tax Exempt Lease
- Accepts the term sheet with Bank of America

Future Actions
- Bank of America credit approval December 16
- Purchase Agreement executed December 19
- Funding on December 28
Discussion/Questions?