



Capitol | PFG



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



Project Cost Summary

Project Costs

Amador Gold Program Costs	\$9,988,885
Transaction Costs	\$174,494
Capitalized Interest	\$115,306

Total Project Funding Sources **\$10,278,685**

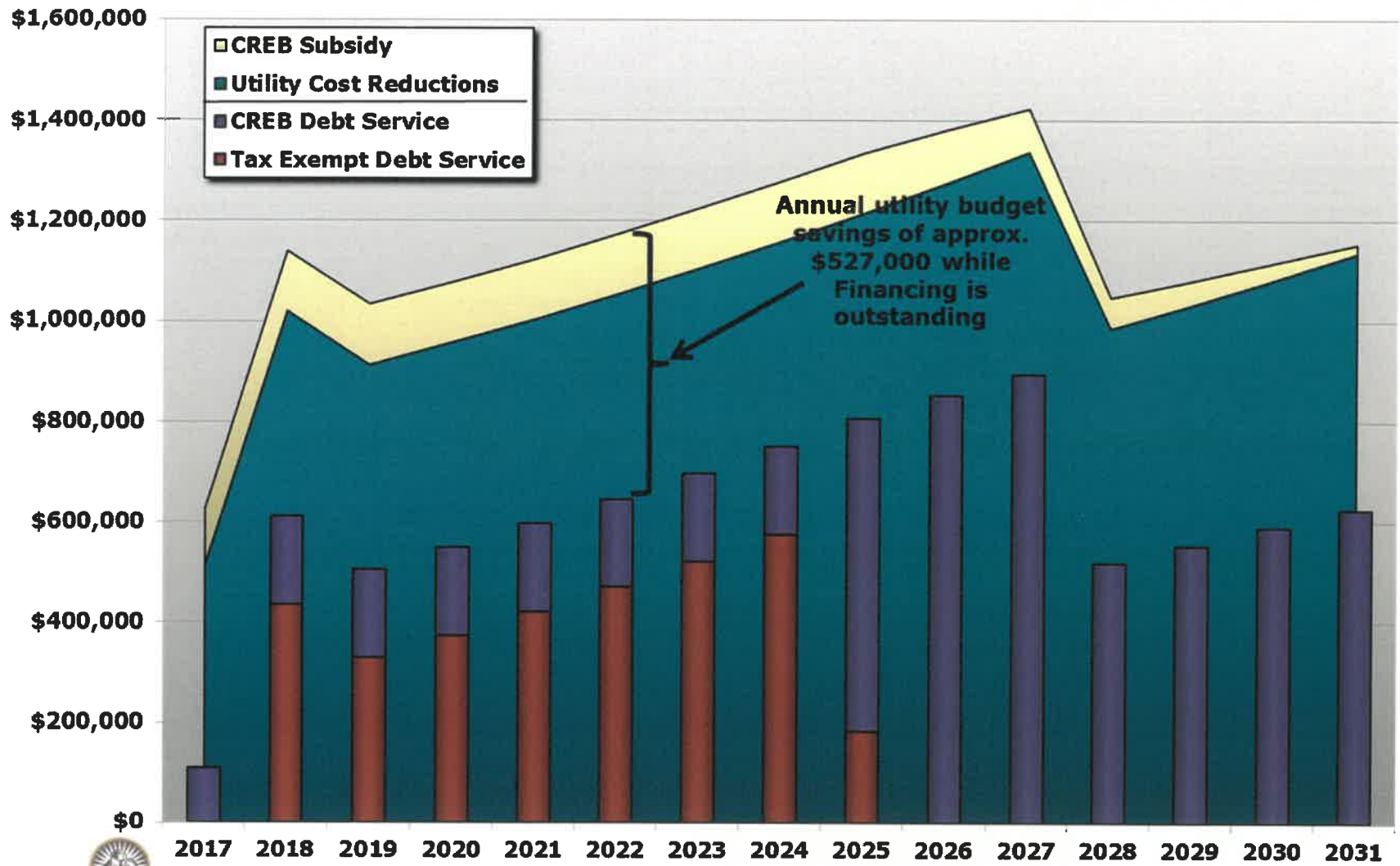
Project Funding Sources

Proposition 39 Contribution	\$1,500,000
District Capital Contribution	\$1,800,000
District COI Contribution	\$20,685
NCREB Proceeds	\$3,966,000
Tax Exempt Lease Proceeds	\$2,992,000

Total Project Funding Sources **\$10,278,685**



Annual Utility Cost Reductions and the CREB Subsidy Exceed the Combined Debt Service of the CREB and Tax Exempt Lease



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?

