

RESOLUTION 2016-30

A resolution of the Board of Education of Colorado Springs School District 11, authorizing the execution and delivery of a site lease, a lease purchase agreement and related documents by the District; approving the forms of related documents; and providing for other matters relating thereto.

Whereas Colorado Springs School District 11, El Paso County, Colorado (the "District"), is a duly and regularly created, organized and existing school district, existing as such under and by virtue of the Constitution and laws of the state of Colorado;

Whereas the Board of Education of the District (the "Board") has the power, pursuant to Section 22-32-110(1) (b) and (c), Colorado Revised Statutes, to lease or rent, with or without an option to purchase, undeveloped or improved real property located within or outside the territorial limits of the District on such terms as the Board sees fit for use as school sites, buildings or structures, or for any school purpose authorized by law, and to provide furniture, equipment, library books and everything needed to carry out the education program of the District;

Whereas the Board has the power pursuant to Section 22-32-110(1)(f), Colorado Revised Statutes, to rent or lease district property not needed for its purposes for terms not exceeding ten years, provided that no finding that the property is not needed for the District's purposes shall be necessary if the Board anticipates that the District will become the subtenant of the property under a sublease, and under such circumstances the term of the lease may exceed ten years but may not exceed fifty years;

Whereas for the functions or operations of the District, it is necessary that the District construct, renovate, equip and install certain capital improvements at certain District facilities for school purposes as authorized by law (the "Project");

Whereas the District owns, or will own, in fee title, certain sites and the premises, buildings and improvements located thereon (the "Leased Property"), as further described in the Site Lease and the Lease (hereinafter defined);

Whereas in order to finance the costs of the Project, the Board has determined, and now hereby determines, that it is in the best interest of the District and its inhabitants that the District lease the Leased Property to UMB Bank, n.a., as trustee under the Indenture (the "Trustee") pursuant to a Site and Improvement Lease between the District, as lessor, and the Trustee, as lessee (the "Site Lease"), and lease back the Trustee's interest in the Leased Property pursuant to the terms of a Lease Purchase Agreement (the "Lease") between the Trustee, as lessor, and the District, as lessee;

Whereas pursuant to the Lease, and subject to the right of the District to annually terminate the Lease and other limitations as therein provided, the District will pay certain Base Rentals and Additional Rentals (as such terms are defined in the Lease) in consideration for the right of the District to use the Leased Property;

Whereas the District's obligation under the Lease to pay Base Rentals and Additional Rentals shall be from year to year only; shall constitute currently budgeted expenditures of the District; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the District within the meaning of any constitutional, statutory limitation or requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect;

Whereas in connection with the execution and delivery of the Site Lease and the Lease, the Trustee will enter into an Indenture of Trust (the "Indenture") pursuant to which there will be executed and delivered certain Certificates of Participation, Series 2016 (the "Certificates"), which proceeds will be used to finance the Project. The Certificates will be dated as of their date of delivery, that shall evidence proportionate interests in the right to receive certain Revenues (as defined in the Lease), shall be payable solely from the sources therein provided and shall not directly or indirectly obligate the District to make any payments beyond those appropriated for any fiscal year during which the Lease shall be in effect;

Whereas it is expected that the Certificates shall be privately placed with (a) an "accredited investor," as defined in Rule 501(A)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended (an "Institutional Accredited Investor") or (b) a "qualified institutional buyer," as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (a "Qualified Institutional Buyer") (the "Initial Purchaser") as hereafter named by the District;

Whereas the net proceeds of the Certificates, together with other available money of the District, will be applied to finance the Project and the costs of issuance related thereto;

Whereas Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended (the "Supplemental Act"), provides that a public entity, including the District, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act;

Whereas there has been presented to the Board and are on file at the District offices the following:
(i) the proposed form of the Site Lease; and (ii) the proposed form of the Lease; relating to the Certificates; and

Whereas capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease and the Site Lease; now, therefore, be it

Resolved by the Board of Education of Colorado Springs School District 11, El Paso County, Colorado:

Section 1. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this resolution) by the Board or the officers, agents or employees of the Board or the District relating to the Site Lease, the Lease, the implementation of Project, and the execution and delivery of the Certificates is hereby ratified, approved and confirmed;

Section 2. Finding of Best Interests. The Board hereby finds and determines, pursuant to the Constitution and the laws of the state of Colorado that the implementation of the Project, including the payment of the costs of issuance in connection therewith, and financing the costs thereof pursuant to the terms set forth in the Site Lease and the Lease are necessary, convenient, and in furtherance of the District's purposes and are in the best interests of the District and the inhabitants of the District and the Board hereby authorizes and approves the same;

Section 3. Supplemental Act; Parameters. The Board hereby elects to apply all of the provisions of the Supplemental Act to the Lease and the Site Lease and in connection therewith delegates to any member of the Board, the Superintendent of the District and the Chief Financial Officer of the District the independent authority to make any determination delegable pursuant to Section 11-57-205(1)(a-i), Colorado Revised Statutes, in relation to the Lease and the Site Lease, and to execute a sale certificate (the "Sale Certificate") setting forth such determinations, including without limitation, the term of the Site Lease, the rental amount to be paid by the Trustee pursuant to the Site Lease, the term of the Lease and the rental amount to be paid by the District pursuant to the Lease, subject to the following parameters and restrictions:

- (a) the Site Lease Term shall end no later than June 30, 2037;
- (b) the Lease Term shall end no later than June 30, 2027;
- (c) the maximum annual repayment cost of Base Rentals payable by the District under the Lease shall not exceed \$1,050,000, and the total repayment cost shall not exceed \$6,250,000;
- (d) the total aggregate principal amount of the Base Rentals payable by the District under the Lease shall not exceed \$5,000,000;
- (e) the purchase price of the Certificates shall not be less than 98 percent of the principal amount of the Certificates; and
- (h) the maximum net effective interest rate on the interest component of the Base Rentals shall not exceed 5.00 percent.

Pursuant to Section 11-57-205 of the Supplemental Act, the Board hereby delegates to each of the President, the Superintendent and the Chief Financial Officer the independent authority to select the Purchaser, to sign a contract for the purchase of the Certificates, or to accept a binding bid for the Certificates and to execute any agreement or agreements in connection therewith.

The Board hereby agrees and acknowledges that the proceeds of the Certificates will be used to finance the costs of the Project and to pay other costs of issuance.

The delegation set forth in this Section 3 shall be effective for one year following the date of adoption of this resolution;

Section 4. Approval of Documents. The Site Lease and the Lease, in substantially the forms presented to the Board and on file with the District, are in all respects approved, authorized and confirmed, and the President, or in his or her absence, the Vice President of the Board is hereby authorized and directed for and on behalf of the District to execute and deliver the Site Lease and the Lease, in substantially the forms and with substantially the same contents as presented to the Board, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this resolution;

Section 5. Authorization to Execute Collateral Documents. The Secretary or Assistant Secretary is hereby authorized and directed to attest all signatures and acts of any official of the District in connection with the matters authorized by this resolution and to place the seal of the District on any document authorized and approved by this resolution. The President, Vice President, the Secretary, the Superintendent, the Chief Financial Officer, and other appropriate officials or employees of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution, including without limiting the generality of the foregoing, executing, attesting, authenticating and delivering for and on behalf of the District any and all necessary documents, instruments or certificates and performing all other acts that they deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this resolution. The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by bond counsel prior to the execution of the documents. The execution of any document or instrument by the aforementioned officials or employees of the District shall be conclusive evidence of the approval by the District of such document or instrument in accordance with the terms hereof and thereof;

Section 6. No General Obligation Debt. No provision of this resolution, the Site Lease, the Lease, the Indenture, or the Certificates, shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the District within the meaning of any constitutional, statutory provision, nor a mandatory charge or requirement against the District in any ensuing fiscal year beyond the then current fiscal year. The District shall have no obligation to make any payment with respect to the Certificates except in connection with the payment of the Base Rentals (as defined in the Lease) and certain other payments under the Lease, which payments may be terminated by the District in accordance with the provisions of the Lease. Neither the Lease nor the Certificates shall constitute a mandatory charge or requirement of the District in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the District within the meaning of any constitutional or statutory debt limitation and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation whatsoever. No provision of the Site Lease, the Lease or the Certificates shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the District within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. Neither the Lease nor the Certificates shall directly or indirectly obligate the District to make any payments beyond those budgeted and appropriated for the District's then current fiscal year;

Section 7. Reasonableness of Rentals. The Board hereby determines and declares that the Base Rentals due under the Lease, in the maximum amounts authorized pursuant to Section 3 hereof, constitute the fair rental value of the Leased Property and do not exceed a reasonable amount so as to place the District under an economic compulsion to renew the Lease or to exercise its option to purchase the Trustee's leasehold interest in the Leased Property pursuant to the Lease. The Board hereby determines and declares that the period during which the District has an option to purchase the Trustee's leasehold interest in the Leased Property (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Leased Property. The Board hereby further determines that the amount of rental payments to be received by the District from the Trustee pursuant to the Site Lease, in an amount not less than the amount set forth in Section 3 hereof, is reasonable consideration for the leasing of the Leased Property to the Trustee for the term of the Site Lease as provided therein;

Section 8. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Certificates. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Certificates and as a part of the consideration of their sale or purchase, any person purchasing or selling such Certificate specifically waives any such recourse;

Section 9. Severability. If any one or more sections, sentences, clauses or parts of this resolution shall for any reason be held invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this resolution, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this resolution so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this resolution in any one or more instances shall not affect or prejudice in any way the applicability and validity of this resolution in any other instances;

Section 10. Repealer. All bylaws, orders, and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, or resolution, or part thereof, heretofore repealed;

Section 11. Interpretation. This resolution shall be so interpreted and construed as to effectuate its general purpose; and

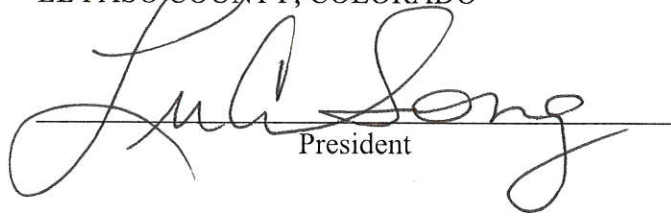
Section 12. Effective Date. This resolution shall be in full force and effect upon its passage and adoption.

ADOPTED AND APPROVED this April 27, 2016.

COLORADO SPRINGS SCHOOL DISTRICT 11,
EL PASO COUNTY, COLORADO



(SEAL)


President

ATTEST:


Secretary

STATE OF COLORADO)
COUNTY OF EL PASO) SS. CERTIFICATE OF SECRETARY
COLORADO SPRINGS SCHOOL)
DISTRICT 11)

I, Theresa Null, the duly qualified and acting Secretary of Colorado Springs School District 11, El Paso County, Colorado (the "District"), do hereby certify:

(1) The foregoing pages are a true and correct copy of a resolution (the "Resolution") introduced at a regular meeting of the Board of Education of the District (the "Board") on April 27, 2016.

(2) The Resolution was duly moved and seconded and the Resolution was adopted at the regular meeting of April 27, 2016, by an affirmative vote of a majority of the members of the Board as follows:

Name	"Yes"	"No"	Absent	Abstain
LuAnn Long, President	Yes			
Martin Herrera, Vice President	Yes			
Theresa Null, Secretary	Yes			
Nora Brown, Treasurer	Yes			
Jim Mason, Director	Yes			
Linda Mojer, Director	Yes			
Elaine Naleski, Director	Yes			

(3) The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

(4) The Resolution was approved and authenticated by the signature of the President of the Board, sealed with the District seal, attested by the Secretary and recorded in the minutes of the Board.

(5) Notice of the regular meeting of April 27, 2016, in the form attached hereto as Exhibit A was posted at the District offices not less than 24 hours prior to the meeting in accordance with law.

(6) There are no bylaws, rules or regulations of the Board which prevent the immediate adoption of the Resolution set forth in the foregoing proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said District, this April 27, 2016.

(SEAL)



Theresa A. Noll
Secretary

Exhibit A
Notice of Meeting



Wednesday, April 27, 2016
Regular Board Meeting

Call to Order at 5:30PM, followed by Executive Session

The Regular meeting begins at 6:30 p.m.
Boardroom - main administration building
1115 N. El Paso Street, CSC 80903

A. PRELIMINARIES

1. Call to Order and Roll Call
2. Moment of Silence
3. Adoption of the Agenda

B. EXECUTIVE SESSION

1. Executive Session - 60 minutes

C. RECONVENE IN PUBLIC SESSION

1. Modification of the Agenda
2. Pledge of Allegiance
3. Good Things
4. Citizens' Comments-General

D. SPECIAL REPORTS

1. Board Members' Reports

E. CONSENT ITEMS

1. Adoption of Consent Items
2. Approval of Board Special Meeting Minutes April 6, 2016
3. Personnel Recommendations - April 27, 2016
4. Policy IKF, Graduation Requirements
5. Policy EHC, Technology Resources and Internet Safety Responsible Use Policy

F. ACTION ITEMS

1. Citizens' Comments Pertaining to Items on the Action Agenda
2. Contract Awards

3. Budget Transfers, Appropriations, and FTE Approvals
4. Resolution 2016-30 Authorizing the Execution of the Adams Site Lease Financing (COPs) - 5 minutes
5. Resolution 2016-38, National Teacher Appreciation Week - 5 minutes

G. NON-ACTION ITEMS

1. Citizens' Comments Pertaining to Items on the Non-Action Agenda
2. District Accountability Committee (DAC) Restructure - 15 minutes
3. Policy AE, Accountability/Commitment to Accomplishment, Regulation AE-R-1, District Accountability Committee, and Regulation AE-R-2, School Accountability Committees - 5 minutes
4. IHCA, Summer School Learning Program - 5 minutes
5. Proposed Board Meeting Dates for FY2016-2017 - 5 minutes
6. District 11 Naming Committee Recommendations for the new Adams Facility - 40 minutes

H. REPORTS AND DISCUSSION ITEMS

1. Legislative Update - 20 minutes

I. FUTURE AGENDA ITEMS/TASKS

1. Request for New Agenda Items from Board Discussion/Tasks

J. CALENDAR REVIEW

1. Calendar Review

K. ADJOURNMENT

1. Adjournment

The world is changing. Meet the future.