RESOLUTION NO. 2025-2026 - 4

RESOLUTION OF THE BOARD OF EDUCATION OF LAKE TAHOE UNIFIED SCHOOL DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE/PURCHASE AGREEMENT WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER AGREEMENTS AND DOCUMENTS REQUIRED AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, Lake Tahoe Unified School District ("District"), a unified school district organized and existing pursuant to the Constitution and laws of the State of California ("State"), is authorized to purchase, acquire and lease personal property for the benefit of the District and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, Veregy Pacific, LLC ("Contractor") has previously delivered to the District a recommended energy plan to implement certain energy conservation measures by the acquisition, construction and installation of certain photovoltaic energy generating facilities, boiler replacements, LED light retrofits, automation controls, and other energy conservation measures pursuant to that certain Guaranteed Energy Services Agreement by and between the District and Contractor ("Contract"); and

WHEREAS, the Board of Education ("Board") previously determined that entering into the Contract was an "energy services contract" pursuant to California Government Code §4217.10 *et seq.* (the "Authorizing Law") and was in the best interests of the District, and that the photovoltaic energy generating facilities, boiler replacement, LED light retrofits, automation controls and other energy conservation measures to be installed under the Contract constituted an "energy conservation facility" ("Energy Conservation Facility") as described in the Authorizing Law; and

WHEREAS, pursuant to California Government Code §4217.12, the Board held a regularly scheduled public hearing on October 23, 2025, of which two weeks advance public notice was given, regarding the Contract and the Energy Conservation Facility, at which time certain required findings were made; and

WHEREAS, the Board approved the final form of Contract on November 13, 2025, and now desires to move forward with financing the Energy Conservation Facility under the Contract with Contractor; and

WHEREAS, the Board has been presented with the option to finance the Energy Conservation Facility by entering into each of (i) an Equipment Lease/Purchase Agreement, including the separate Payment Schedule attached thereto (the "Equipment Lease/Purchase Agreement") by and between the District, as lessee, and Banc of America Public Capital Corp ("Lender"), as lessor, which is a "facility financing contract" pursuant to the Authorizing Law, (ii) a Memorandum of Understanding (the "MOU") and (iii) an Escrow and Account Control Agreement (the "Escrow Agreement" and together with the Equipment/Lease Purchase Agreement and the MOU, the "Financing Agreements"); and

WHEREAS, pursuant to California Government Code §4217.13, this Board held a regularly scheduled public hearing on the date hereof, regarding entering into the Financing Agreements, of which two weeks advance public notice was given; and

WHEREAS, this Board desires to make certain findings, approve the financing of the Energy Conservation Facility, and appoint certain professionals to provide services related to the execution and delivery of the Financing Agreements and the financing of the Energy Conservation Facility; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the consummation of the purchase, acquisition, leasing and financing of the Energy Conservation Facility authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such purchase, acquisition, leasing and financing of the Energy Conservation Facility for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, it is resolved by the Board of Education of Lake Tahoe Unified School District, as follows:

Section 1. **Findings**. The Board hereby specifically finds and declares as follows:

(a) That based on the analysis provided by Contractor, attached hereto as Exhibit A, the funds projected to be available for all payments made pursuant to the Financing Agreements would, if not paid pursuant to the terms thereof in furtherance of the implementation of the Energy Conservation Facility, be otherwise used to purchase thermal, electrical, and other energy required by the District, in the absence of the recommended Energy Conservation Facility.

(b) That the terms of the Financing Agreements and the Contract to be entered into in connection herewith are in the best interest of the District.

The actions authorized hereby constitute and are true and correct with respect to the public affairs of the District, and that the statements, findings and determinations of the District set forth in the preambles of the documents approved herein are true and correct, and the Board hereby declares its intention of entering into the Financing Agreements further described in Section 3 hereof.

Section 2. **Authorization of Equipment Lease/Purchase Agreement**. The Board intends to acquire, construct and install the Energy Conservation Facility pursuant to the Contract, and hereby approves the financing of the Energy Conservation Facility through the preparation, sale and delivery of the Equipment Lease/Purchase Agreement to Lender, in an amount not-to-exceed $21,100,000.

Section 3. **Approval of Financing Agreements.** The form of the Equipment Lease/Purchase Agreement, together with the Payment Schedule attached thereto, between the District and the Lender, on file with the Secretary to the Board (the "Secretary") is hereby approved. The form of the Escrow and Account Control Agreement, among the District, the Lender and UMB Bank, NA, as escrow agent (the "Escrow Agent"), and on file

with the Secretary, is hereby approved. The MOU, among the District, the Contractor and the Lender is hereby approved. The President of the Board, the Superintendent and the Chief Business Official, and such other officer(s) of the District as the Superintendent or the Chief Business Official may designate (collectively, the "Authorized Representatives") are, each alone, hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver each of the above mentioned documents in substantially said form, with such changes therein as such Authorized Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The approval of the Equipment Lease/Purchase Agreement is subject to the limitation that (i) the Contract Rate (as defined in the Equipment Lease/Purchase Agreement) shall not exceed the Lender's proposed interest rate of 4.250% (without regard to adjustments in default or events of taxability), (ii) the net effective interest rate with respect to the Equipment Lease/Purchase Agreement shall not exceed the maximum allowable by law, (iii) the cost of delivery of the Equipment Lease/Purchase Agreement does not exceed 2.0% of the aggregate principal amount of the Equipment Lease/Purchase Agreement, and (iv) the aggregate principal amount of the Equipment Lease/Purchase Agreement does not exceed $21,100,000.

Section 4. **Appointment of Special Counsel, Placement Agent and Municipal Advisor**. The Board hereby approves the appointment of the following firms with respect to the indicated special services to be delivered to the District in connection with the execution and delivery of the Equipment Lease/Purchase Agreement: (i) Dannis Woliver Kelley, as special counsel to the District, (ii) D.A. Davidson & Co., as Placement Agent to the District, and (iii) Isom Advisors, a Division of Urban Futures, Inc., as Municipal Advisor to the District. The Authorized Representatives are authorized to execute contracts with each such firm relating to such special services so long as any payment thereunder is contingent upon the successful execution and delivery of the Equipment Lease/Purchase Agreement.

Section 5. **Attestations**. The Clerk of the Board, the Secretary, or persons as may have been designated by the Superintendent or the Chief Business Official are hereby authorized and directed to attest the signature of the Authorized Representatives or of such other person or persons as may have been designated by the Superintendent or the Chief Business Official, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Financing Agreements.

Section 6. **Other Actions.** The Authorized Representatives and officials and officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the execution and delivery of the Equipment Lease/Purchase Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Contract, and the Financing Agreements. Such actions as described in this Section 6 heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

Section 7. **Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

Section 8. **Effect.** This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 11th day of December, 2025, at a meeting of the Board of Education by the following vote:

AYES:	Lauri Kemper - Board President, Bob Anderson - Board Member, Ellen Camacho - Board Member, Valerie Mansfield- Board Member
NOES:	0
ABSTAIN:	0
ABSENT:	Jon Hetherton - Board Clerk

LAKE TAHOE UNIFIED SCHOOL DISTRICT

By: _____
Board President

ATTEST:

_____
Secretary to the Board

EXHIBIT A

FINANCIAL ANALYSIS

The financial analysis attached shows the cost savings associated with the Guaranteed Energy Services Agreement with Veregy Pacific, LLC ("Contract"). The total project costs under the Contract are to be funded, in part, with a tax-exempt equipment lease described further in the Resolution to which this financial analysis is attached. As shown in the attached financial analysis, the total projected electrical, gas, water and other savings will cover the proposed debt service on the Equipment Lease/Purchase Agreement over a 20-year financing period.

[SEE ATTACHED ANALYSIS]

20 Year Cash Flow	
Total Project Cost	$20,922,869
Owner Contribution	$0
Financed Amount	$20,922,869
M&V Cost	$8,138
Orchestrate Fee	$18,000
Estimated Energy Savings	$739,067
Additional Savings	$243,546
Potential Rebates & Incentives	$4,004,281
Finance Term	20.0 Yr.s
Interest Rate	4.25%
Escalation/Inflation Factor - Sc	3.750%
Escalation/Inflation Factor - Nc	4.25%
Discount Rate for NPV	0.00%
TOTAL GROSS SAVINGS	$32,847,508
TOTAL NET SAVINGS	$10,281

	Previous	Delta
	3.58%	0.17%
	4.00%	0.25%

Year	Annual Investment				Annual Savings					Financial Projection		Savings Breakdown	
	Principal and Interest Payment	M&V Cost	Orchestrate Fee	Total Annual Cost	Annual Energy Savings	Capital Cost Avoidance	Operational Savings	Potential Rebate & Incentives	Total Annual Savings	Net Annual Savings	Cumulative Savings	PV Solar	Non-Solar
Implementation (Year)	$0	$0	Included	$0	$0	$0	$0		$0	$0	$0	$0	$0
1	$1,149,308	$8,138	Included	$1,157,446	$739,067	$0	$243,546	$4,004,281	$4,986,894	$3,829,447	$3,829,447	$645,147	$93,920
2	$1,171,280	$8,464	$18,000	$1,197,744	$767,251	$0	$253,288		$1,020,539	-$177,205	$3,652,243	$669,340	$97,911
3	$1,214,937	$8,802	$18,765	$1,242,504	$796,513	$0	$263,419		$1,059,932	-$182,572	$3,469,670	$694,440	$102,073
4	$1,260,225	$9,154	$19,563	$1,288,942	$826,892	$0	$273,956		$1,100,848	-$188,094	$3,281,577	$720,482	$106,411
5	$1,307,207	$9,520	$20,394	$1,337,121	$858,433	$0	$284,914		$1,143,347	-$193,774	$3,087,803	$747,500	$110,933
6	$1,355,944	$0	$0	$1,355,944	$891,179	$0	$296,311		$1,187,490	-$168,454	$2,919,349	$775,531	$115,648
7	$1,406,503	$0	$0	$1,406,503	$925,176	$0	$308,163		$1,233,339	-$173,164	$2,746,185	$804,613	$120,563
8	$1,458,954	$0	$0	$1,458,954	$960,473	$0	$320,490		$1,280,963	-$177,991	$2,568,193	$834,786	$125,687
9	$1,513,367	$0	$0	$1,513,367	$997,119	$0	$333,309		$1,330,429	-$182,938	$2,385,255	$866,091	$131,028
10	$1,569,813	$0	$0	$1,569,813	$1,035,166	$0	$346,642		$1,381,808	-$188,005	$2,197,250	$898,569	$136,597
11	$1,628,372	$0	$0	$1,628,372	$1,074,668	$0	$360,507		$1,435,175	-$193,196	$2,004,054	$932,266	$142,402
12	$1,689,121	$0	$0	$1,689,121	$1,115,680	$0	$374,928		$1,490,608	-$198,513	$1,805,541	$967,226	$148,454
13	$1,752,142	$0	$0	$1,752,142	$1,158,260	$0	$389,925		$1,548,185	-$203,957	$1,601,584	$1,003,497	$154,764
14	$1,817,521	$0	$0	$1,817,521	$1,202,469	$0	$405,522		$1,607,991	-$209,530	$1,392,054	$1,041,128	$161,341
15	$1,885,348	$0	$0	$1,885,348	$1,248,368	$0	$421,743		$1,670,111	-$215,237	$1,176,816	$1,080,170	$168,198
16	$1,955,713	$0	$0	$1,955,713	$1,296,023	$0	$438,612		$1,734,635	-$221,077	$955,739	$1,120,676	$175,347
17	$2,028,710	$0	$0	$2,028,710	$1,345,501	$0	$456,157		$1,801,658	-$227,053	$728,686	$1,162,702	$182,799
18	$2,104,441	$0	$0	$2,104,441	$1,396,871	$0	$474,403		$1,871,274	-$233,167	$495,519	$1,206,303	$190,568
19	$2,183,007	$0	$0	$2,183,007	$1,450,206	$0	$493,379		$1,943,586	-$239,421	$ 256,098	$1,251,539	$198,667
20	$2,264,514	$0	$0	$2,264,514	$1,505,582	$0	$513,115		$2,018,697	-$245,817	$ 10,281	$1,298,472	$207,110
Totals	$32,716,428	$44,078	$76,721	$32,837,227	$21,590,898	$0	$7,252,330	$4,004,281	$32,847,508	$10,281	$10,281	$18,720,477	$2,670,421