



multipurpose room is constantly “overbooked” and its size is inadequate and does not allow for regulation play and provides little space for parents and family to spectate. In 2012/13, two parcels adjacent to the school became available. The District Board decided on a course of action to address the inadequate multipurpose facilities and expand educational opportunities. The District purchased the two adjacent parcels in 2014 by issuing a note in the amount of \$380,000 which matures in 2018, which was purchased by the Treasury. Subsequently, the District convened and facilitated a number of public forums in which they solicited ideas, information and comments related to the design of the multipurpose center from District families and the broader community. The District has incorporated the comments and information gathered during these forums and has included a stage for performing arts, a sports court, and food preparation facilities into the multipurpose center design.

The District also plans to make parking lot improvements to improve auto ingress and egress and more efficient bus lanes to reduce traffic impacts and reduce idle times on Bowman Road during morning drop-off and afternoon pick-up.

The District may also pursue additional funding from various sources. As a result, the District is seeking to issue a draw-down note not to exceed \$7,000,000 which will allow the District to offset the total amount borrowed by any additional funding received.

The District has sought the assistance of the Treasurer to provide financing related to the construction of a multipurpose center, parking, and ingress and egress improvements in an amount not to exceed \$7 million. The Treasurer has reviewed the financial condition of the District and has determined the District has the capacity to take on the total amount of \$7,000,000 should the District need to finance the full amount. In that event, the maximum annual debt service payment will be approximately \$600,000.

The District has resolved by Resolution 16-06-03 on June 16, 2016 to issue a note, the Ackerman Charter School District Note, 2016 (the “Note”) and has offered to sell the Note to the Treasurer in an amount not to exceed \$7,000,000, maturing in 20 years at a rate of 2.8%. The Treasurer has determined that the Note is an appropriate investment for the funds held in the Placer County Treasurer’s Investment Pool and is willing to purchase the Note on these terms and the conditions set forth in the Note Purchase Agreement, Note and Letter of Representations. The County Treasurer proposes to purchase the Note pursuant to Government Code Section 53601, which also requires the Board of Supervisors grant express permission for the County Treasurer to purchase an investment maturing in excess of five years at the time of purchase.

#### **FISCAL IMPACT**

There is no direct fiscal impact to the County. The investment will be purchased for the Treasurer’s Investment Pool in which the County, school districts and certain special districts are required to deposit their funds. The County’s General Fund investment in the pool represents a little more than 5% of the amount on deposit in the pool. The rate of 2.8% that will be earned on the Notes is more than two times greater than the current overall yield of approximately 1.30% of the pool.

There is sufficient liquidity in the Treasurer's Investment Pool to take on a \$7 million investment maturing in 20 years.

**RECOMMENDATION**

It is recommended that the Board of Supervisors grant express authorization for the County Treasurer to purchase the Note to be issued by the Ackerman Charter School District which matures in 2036, in an amount not to exceed \$7,000,000.

Cc: David Slane, Chair Ackerman Charter School District Board of Trustees

Kelly Graham, Superintendent Ackerman Charter school District

Attachments:

Resolution for Authority to Invest  
Ackerman Charter School District Resolution #16-06-03  
Bond Purchase Agreement with Bond and Letter of Representations

# Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No: \_\_\_\_\_

**Approving The Treasurer's Purchase Of A Bond, Maturing In Excess Of Five Years Pursuant To Government Code Section 53601, issued By The Ackerman Charter School District In An Amount Not To Exceed \$7,000,000, Maturing In 2036, Related To Construction Of A Multipurpose Center and other Facility Improvements.**

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on July 21, 2016.

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

---

**WHEREAS**, the Ackerman Charter School District (the "District"), is a charter school district, duly organized and existing under the laws of the State of California (the "State"); and

**WHEREAS**, the District is responsible for maintaining and operating school facilities for the benefit of the people of the Ackerman Charter School District; and

**WHEREAS**, the District has determined to pursue plans to construct a Community Multipurpose Center including various Site Improvements on the two parcels of land; and

**WHEREAS**, the District may utilize other sources of financing and grants to pay for the cost of the Multipurpose Center and Site Improvements; and

**WHEREAS**, the District desires to finance those costs not provided by other sources of financing and grants; and

**WHEREAS**, the District has resolved to issue a draw-down appropriation note, the Ackerman Charter School District Note, 2016 (the "Note") and has offered to sell the Note to the Placer County Treasurer; and

**WHEREAS**, the County Treasurer has determined that the Note is an appropriate investment for the funds held in the Placer County Treasurer's Investment Pool and is willing to purchase the Note on the terms and conditions set forth herein; and

**WHEREAS**, in order to induce the County Treasurer to purchase the Note on such terms and conditions, the District has delivered to the County Treasurer that certain Letter of Representations of the District; and

**WHEREAS**, the County Treasurer proposes to purchase the Note pursuant to Government Code Section 53601(e); and

**WHEREAS**, Government Code Section 53601 requires the Board of Supervisors grant express permission for the County Treasurer to purchase an investment maturing in excess of five years at the time of purchase,

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors hereby grants express authorization for the County Treasurer to purchase the Note to be issued by the Ackerman Charter School District which matures in 2036, in an amount not to exceed \$7,000,000.

**Ackerman Charter School District**

**RESOLUTION NO. 16-06-03**

In the matter of:

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE ACKERMAN CHARTER SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE ACKERMAN CHARTER SCHOOL DISTRICT NOTE, 2016, TO FINANCE THE SITE PREPARATION AND CONSTRUCTION OF A NEW MULTIPURPOSE CENTER AND APPROVING RELATED DOCUMENTS AND AUTHORIZING OFFICIAL ACTIONS.**

**WHEREAS**, the District is responsible for maintaining and operating school facilities for the benefit of the people of the Ackerman Charter School District; and

**WHEREAS**, the District has purchased of two parcels of land (the "Real Property"), and has financed these costs through the Placer County Treasury; and

**WHEREAS**, the District has determined to pursue plans to construct a Community Multipurpose Center including various Site Improvements on the two parcels of land; and

**WHEREAS**, the District may utilize other sources of financing and grants to pay for the cost of the Multipurpose Center and Site Improvements; and

**WHEREAS**, the District desires to finance those costs not provided by other sources of financing and grants; and

**WHEREAS**, the District has resolved to issue a draw-down appropriation note, the Ackerman Charter School District Note, 2016 (the "Note") and has offered to sell the Note to the Note Holder; and

**WHEREAS**, the Note Holder has determined that the Note is an appropriate investment for the funds held in the Placer County Treasurer's Investment Pool and is willing to purchase the Note on the terms and conditions set forth in the Note Purchase Contract; and

**WHEREAS**, in order to induce the Note Holder to purchase the Note on such terms and conditions, the District will deliver to the Note Holder that certain Letter of Representations of the District (the "Letter of Representations")

**WHEREAS**, the appropriate officers and officials of the District, after consultation with the Placer County Treasurer determined it was necessary and advantageous to accomplish the financing of the Multipurpose Center and Site Improvements by execution of a Note Purchase Contract, a Note and related Letter of Representation;

**WHEREAS**, the Board of Trustees wishes as this time to approve all actions related to the issuance and sale of the Note;

**NOW THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Ackerman Charter School District as follows:

**Authorization to Issue Note.** The Board of Trustees hereby authorizes the issuance of the Ackerman Charter School District Note, 2016, in an amount of principal not to exceed \$7,000,000, to finance the cost of the Multipurpose Center and Site Improvements.

**Approval of Notes and Financial Documents.** The Board of Trustees hereby approves the following contracts and documents required for the issuance and sale of the Ackerman Charter School District Note, 2016, in substantially the forms attached hereto together with any changes or additions deemed advisable by the Superintendent/Principal or the Chairman of the Board (the "Authorized Officer(s)"), whose execution of the following contracts and documents shall be conclusive evidence of the approval of any such changes or additions. In consideration of the premises and of the mutual agreements and covenants contemplated in the Note Documents and for other valuable consideration, the Board of Trustees of the Ackerman Charter School District (the "Board") hereby authorizes and directs the appropriate officers and officials of the District to make changes to the Note Purchase Contract and related Note Documents as necessary or desirable to finalize the transaction contemplated by the Note Purchase Contract. An Authorized Officer is hereby authorized and directed to execute and the Clerk is hereby authorized and directed to attest, the final form of each of the following contracts and documents.

**Note Purchase Contract.** between the District and the Note Holder, setting the terms and conditions of the sale and purchase of the Note.

**Note.** evidencing specific terms as to interest, repayment of principal and the pledge securing the repayment of the principal amount.

**Letter of Representations.** From the District to the Note Holder confirming conditions and circumstances regarding the District's authority and condition related to the issuance of the Note and execution of the Note Purchase Contract.

**Authorization and Direction of Authorized Officers.** The Chairman, the Superintendent/Principal, the Vice Chairman, the Secretary and Clerk to the Board and all other officers of the District are each authorized and directed on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance and other documents which they or any of them deem necessary or appropriate in order to consummate any of the transactions contemplated by the contracts and documents approved under this Resolution.

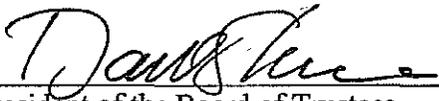
This resolution duly passed by the Board Trustees of the Ackerman Charter School District on this 15<sup>th</sup> day of June, 2016.

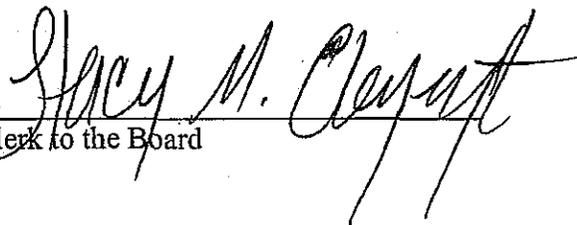
AYES: 5

NOES: 0

ABSENT: 0

Signed and approved by me after its passage this 15<sup>th</sup> day of June, 2016

  
\_\_\_\_\_  
President of the Board of Trustees

  
\_\_\_\_\_  
Clerk to the Board

## NOTE PURCHASE CONTRACT

This NOTE PURCHASE CONTRACT, dated [Month, Day,] 2016 (the “Note Purchase Contract”), between the Ackerman Charter School District (the “District”), a school district, duly organized and existing under the laws of the State of California (the “State”), and the Placer County Treasurer (the “Note Holder”).

### WITNESSETH:

WHEREAS, the District is responsible for maintaining and operating school facilities for the benefit of the people of the Ackerman Charter School District; and

WHEREAS, the District has purchased of two parcels of land (the “Real Property”), and has financed these costs through the Placer County Treasury; and

WHEREAS, the District has determined to pursue plans to construct a Community Multipurpose Center including various Site Improvements on the two parcels of land; and

WHEREAS, the District may utilize other sources of financing and grants to pay for the cost of the Multipurpose Center and Site Improvements; and

WHEREAS, the District desires to finance those costs not provided by other sources of financing and grants; and

WHEREAS, the District has resolved to issue a draw-down appropriation note, the Ackerman Charter School District Note, 2016 (the “Note”) and has offered to sell the Note to the Note Holder; and

WHEREAS, the Note Holder has determined that the Note is an appropriate investment for the funds held in the Placer County Treasurer’s Investment Pool and is willing to purchase the Note on the terms and conditions set forth herein; and

WHEREAS, in order to induce the Note Holder to purchase the Note on such terms and conditions, the District has delivered to the Note Holder that certain Letter of Representations of the District (the “Letter of Representations”), dated hereof;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

1. Definitions. Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meaning set forth in Appendix A attached hereto.
2. Terms of Note. The Note shall be issued in physical form in a face amount

of \$7,000,000.00 and shall mature on [Month Day, 2036. The Note is attached hereto as Appendix B and shall be executed by an authorized representative of the District Board of Trustees and attested by the District Clerk.

The principal amount of the Note as of any given date shall be equal to (i) the total amount advanced by the Note Holder less any Principal Prepayment in accordance with the terms of this Note Purchase Contract, provided the principal amount shall at no time exceed \$7,000,000.00. The Note Holder shall maintain accurate records with respect to the principal amount of the Note from time to time outstanding.

3. Representations, Warranties, Covenants and Agreements of the District. The District hereby represents, warrants and covenants to and agrees with the Note Holder that:

(a) The District is duly organized and existing under the laws of the State of California, and has full legal right, power and authority to (i) execute and deliver this Note Purchase Contract, (ii) issue the Note and sell and deliver the Note to the Note Holder on the terms and conditions set forth in this Note Purchase Contract, (iii) perform its obligations under this Note Purchase Contract, and (iv) the person or persons signing any and all documents associated with this agreement has full authority to sign on behalf of the District;

(b) On [Month Day], 2016, the Board of Trustees of the District approved the purchase of two parcels of real property and duly authorized the Superintendent/Principal to sign all documents pertaining to the purchase and financing thereof. This grant of authority authorized the Superintendent/Principal to approve the issuance, sale and delivery of the Note, duly authorize and approve the execution and delivery of this Note Purchase Contract, duly authorize and approve the performance by the District of its obligations contained in, and the taking of any and all actions as may be necessary to carry out, give effect to and consummate the transactions contemplated by, the Note and this Note Purchase Contract;

(c) The Note has been duly and validly issued by the District and this Note Purchase Contract has been duly executed and delivered by the District and the Note and this Note Purchase Contract constitute valid and binding obligations of the District, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and to general principals of equity;

(d) The District is not in breach of or default under any applicable law or administrative regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, resolution, certificate, contract, agreement or other instrument to which the District is a party or is otherwise subject; the execution and delivery of this Note Purchase Contract, the Note and the other instrument contemplated by any of such documents to which the

District is or will be a party and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, resolution, certificate, contract, agreement or other instrument to which the District is a party or is otherwise subject or bound;

- (e) No litigation is pending in any court or before any tribunal or administrative agency or, to the knowledge of the District, threatened in any way affecting the existence of the District or the titles of the members of its Board or officers of the District to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Note, the pledge of the District's finances or in any way contesting or affecting the validity or enforceability of the Note or this Note Purchase Contract or the powers of the District or its authority to perform its duties under this Note Purchase Contract;

- (f) All of the information provided by the District to the Note Holder in connection with the negotiation of the terms and the execution and delivery of the Note Purchase Contract is true, correct and complete in all material respects;

- (g) The District will punctually pay the principal of and interest on the Note in strict conformity with the terms thereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Note and in this Note Purchase Contract required to be observed and performed by it, and will not terminate this Note Purchase Contract for any cause whatsoever, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either or any failure of the Note Holder to observe or perform any agreement, conditions, covenant or term contained herein required to be observed and performed by it, whether express or implied;

- (h) The District will preserve and protect the security hereof and the rights of the Note Holder to the payment of principal of and interest on the Note and will warrant and defend such rights against all claims and demands of all persons;

- (i) The District will, so long as the Note remains outstanding, apply amounts as provided herein;

- (j) The District will keep appropriate accounting records in which complete and correct entries shall be made of all transactions relating to repayment of the Note, which records shall be available for inspection by the Note Holder at reasonable hours and under reasonable conditions;

- (k) Promptly upon learning of such occurrence, the District shall provide written notice to the Note Holder of the occurrence of any of the following;
- i. Discovery that a representation or warranty made by the District in this Note Purchase Contract or the Letter of Representations is inaccurate in any material respect;
  - ii. Any material breach by the District under this Note Purchase Contract or the Letter of Representations;
  - iii. The filing of any claim or suit, or the threat of any litigation, or the commencing of any administrative proceedings against the District respecting the Note, this Note Purchase Contract, the Letter of Representations or (if such claim, suit, litigation, or proceeding could materially adversely affect the interest of the Note Holder or the security for the Note) or the Project; or

(l) The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Note Holder of the rights and benefits provided to it herein; and

(m) Any certificate signed by the Chairman of the Board of Trustees, or the Vice Chairman of the Board of Trustees, the District Superintendent, Associate Superintendent of Business, or Clerk of the District, or any other authorized representative of the District shall be deemed a representation and warranty by the District to the Note Holder as to the statements made therein.

#### 4. Annual Appropriations

Notwithstanding anything contained in this agreement to the contrary, in the event the funds appropriated by District's governing body or otherwise available by any means whatsoever in any fiscal period of District for payments or other amounts due under this agreement are insufficient therefor, this agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to the Lessee of any kind whatsoever, except to the portions of payments or other amounts herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. The District will immediately notify the Note Holder of such occurrence. In the event of such termination, the District acknowledges and expressly agrees that the Note Holder may, nonetheless, exercise its remedies set forth in Section 5 of this Note Purchase Contract.

#### 5. Default, Events and Remedies.

(a) The following shall constitute an Event of Default of the District's obligations under the Note, the Note Purchase Contract and the Letter of Representations:

- i. Nonpayment of interest and/or principal when due;
- ii. Default shall be made by the District in the performance of any of the other agreements or covenants contained in the Note or in this Note Purchase Contract, or the Letter of Representations, which shall have continued for a period of thirty days after the District shall have been given notice in writing of such default by the Note Holder;
- iii. Any representation or warranty made by the District in this Note Purchase Contract, or the Letter of Representations shall be untrue or incorrect in any material respect when made or deemed made, and not promptly corrected; or
- iv. If the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court or competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

(b) Upon the occurrence of default the Note Holder may:

- i. Present a claim against the District's account against the District's current fiscal year revenues held in the County Treasury, to direct the Auditor to make such distributions to the Note Holder as may be required to satisfy any defaulted amount;
- ii. Attach the District's account of any of the District's Funds held in the County Treasury, and direct the Auditor and/or the Treasurer to make such distributions to the Note Holder as may be required to satisfy any defaulted amounts;
- iii. Bring suit by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any member of the District Board of Trustees, officer or employee, in their official capacity with the District, thereof, and to compel the District or any such member of the District Board of Trustees, officer or employee to perform and carry out its duties under agreements and covenants required to be performed by it or him or her contained herein;
- iv. Bring suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Note Holder.

- (c) Nothing in this Section 5 or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Note when due as provided herein, or shall affect or impair the right of the Note Holder, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Note Holder shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract, and no delay or omission by the District to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy accruing or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Note Holder by applicable law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Note Holder.

- (d) No remedy herein conferred upon or reserved to the Note Holder is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by applicable law.

- (e) If an Event of Default shall exist under the Note or this Note Purchase Contract and the Note Holder employs attorneys or consultants or incurs other expenses for the collection of any amounts due on the Note or hereunder, or for the enforcement of performance of any obligation or agreement on the part of the District under the Letter of Representations, the District shall upon demand pay to the Note Holder reasonable fees, whether suit be brought or not, of such attorneys or consultants and such other expenses so incurred.

6. Expenses. The Note Holder shall have no obligation to pay, and the District shall pay or cause to be paid, all expenses incident to the execution and delivery of this Note Purchase Contract, the Note issuance, sale, and delivery of the Note, and all expenses incident to the performance of the District's obligations under this Note Purchase Contract.

7. Amendment; Emergency.

- (a) Except as otherwise specifically provided in this Note Purchase Contract, this Note Purchase Contract may not be amended, changed, modified, altered or terminated without the written consent of both the Note Holder and the District.
- (b) Upon the occurrence of an Emergency, the Note Holder and the District will negotiate in good faith such amendments to this Note Purchase Contract and the Note as shall be necessary to address such Emergency; provided, no such amendment shall materially adversely affect the interests of the Note Holder or the security for the

Note without the consent of the Note Holder, which consent shall be given in the Note Holder's sole and absolute discretion.

8. Miscellaneous.

- (a) No member of the District Board of Trustees, officer or employee of the District, in their individual capacity with the District shall be personally liable for the payment of the principal of or interest on the Note, but nothing contained herein shall relieve any member of the District Board of Trustees, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.
- (a) The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, convenience or effect hereof, and works of any gender shall be deemed and construed to include all genders. All references herein to "Sections" and paragraphs are to the corresponding sections or paragraphs hereof, and the words "hereby," "herein," "hereto," "herewith," "hereunder," and words of similar import refer to this Note Purchase Contract as a whole and not to any particular article, section, subdivision or clause hereof.
- (d) Whenever either the Note Holder or the District is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Note Holder or the District, and all agreements and covenants required hereby to be performed by or on behalf of the Note Holder or the District shall bind and inure to the benefit of the respective successors thereof whether so express or not.
- (e) Except as provided in paragraph (d), nothing contained herein, express or implied, is intended to give to any person other than the Note Holder, the District and their assigns any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the Note Holder, the District and their assigns.
- (f) This Note Purchase Contract and the Note constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between the Note Holder and the District with respect to the subject matter hereof.
- (g) If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Note Holder or the District shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof, and the Note Holder and the District hereby declare that they would have executed this Note purchase Contract and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the

fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

- (h) Note Holder's approval of any matter in connection with this Note Purchase Contract and the Note is for the sole purpose of protecting the security and rights of the Note Holder. No such approval will result in a waiver of any default of the District. In no event may the Note Holder's approval be a representation of any kind with regard to the matter being approved.
- (i) Any payment or act required to be done or made on a day that is not a Business Day shall be done or made on the next succeeding day that is a Business Day with the same force and effect as if it had been done on the date originally scheduled for such payment or act.

(j) This Note Purchase Contract shall be governed exclusively by and construed in accordance with the applicable laws of the State of California.

(k) All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other part in writing from time to time, namely:

If to the Note Holder:

Placer County Treasurer-Tax Collector  
Jenine Windeshausen  
2976 Richardson Drive  
Auburn, CA 95603

If to the District:

Ackerman Charter School District  
Attention: Superintendent/Principal Kelly Graham  
13777 Bowman Road  
Auburn, CA 95603

- (l) It is agreed and acknowledged by the parties hereto that the provisions of this Note Purchase Contract have been arrived at through negotiation and that each of the parties has had a full and fair opportunity to review the provisions of this Note Purchase Contract and to have such provisions reviewed by legal counsel. Therefore, any rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Note Purchase Contract.

- (m) This Note Purchase Contract shall be in full force and effect from the date hereof until such time as the Note shall have been fully paid. Time is of the essence in the Note Purchase Contract.
- (n) The Note Holder will keep appropriate records regarding the Note, this Note Purchase Contract and the transactions hereunder, which records shall be available for inspection by the District at reasonable hours and under reasonable conditions.

IN WITNESS WHEREOF, the District and Note Holder have executed this Note Purchase Contract as of the date first written above.

**DRAFT**

NOTE HOLDER

By: \_\_\_\_\_  
Jenine Windeshausen  
Placer County Treasurer

ACKERMAN CHARTER SCHOOL DISTRICT

By: \_\_\_\_\_  
Kelly Graham  
Superintendent/Principal

## Appendix A

### Business Day

“Business Day” means any day that both the District and the County of Placer are normally open for business as declared by their respective governing boards, and the Federal Banking System open for money transactions.

### Closing Date

“Closing Date” means [Month Day], 2016.

### Dated Date

“Dated Date” means [Month Day], 2016.

### Event of Default

“Event of Default” means the failure by the District to pay interest or to pay scheduled principal on the Note on the maturity date, or any event defined in Section 5.

### Maturity Date

“Maturity Date” means [Month Day], 2036.

### Principal Prepayment Date

“Principal Prepayment Date” means any date prior to [Month Day], 2036, wherein the District makes a payment to the Note Holder applicable to repayment of principal advanced in whole or in part.

APPENDIX B

**Ackerman Charter School District  
Note, 2016**

**Dated Date:** [Month Day], 2016    **Maturity Date:**[Month Day], 2036

**Registered Owner:** Placer County Treasurer

**Face Amount (Maximum Principal Amount): Seven Million Dollars  
(\$7,000,000)**

The Ackerman Charter School District (the "District") is a Charter School District, duly organized and existing under the laws of the State of California (the "State"), for value received, hereby promises to pay, subject only to the provisions of that certain Note Purchase Contract dated [Month Day], 2016 (the "Note Purchase Contract"), between the District and the Placer County Treasurer (the "Note Holder"), providing for the allocation and application of amounts received and held by the District, by wire transfer or deposit to an account specified by the Note Holder, the principal amount hereof, on the date described below, with interest on the unpaid principal balance hereof at the rates determined as described below and on the dates described below (each date as "Maturity Date"), in lawful money of the United States of America. Unless defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Note Purchase Contract.

**Pledge: Limited Obligation**

To secure the payment of principal of and interest on this Note, the District hereby agrees that it will promptly pay its obligations hereunder subject to annual appropriation of funds. Notwithstanding anything contained in this Agreement to the contrary, in the events the funds appropriated by the District's governing body or otherwise available by any means whatsoever in any fiscal period of District for payments or other amounts due under this agreement are insufficient therefore, this agreement shall terminate on the last day of the fiscal period for which appropriations were received. The District will immediately notify the Note Holder of such occurrence. The District acknowledges that the Note Holder will have the right to pursue its remedies to recover any amounts remaining unpaid, as described more fully in the Note Purchase Contract dated Month Day, 2016.

Neither the faith and credit nor the taxing powers of the State, any public agency or any political subdivision of the State is pledged for the purpose of repayment of the principal or interest on this Note. Neither the District Board of Trustees, nor any person executing this Note shall be personally liable on this Note by reason of its issuance. The District Board of Trustee members, and any officer or employee of the District, in their individual capacity with the District, shall not be personally liable for any obligations set forth herein, including the repayment of principal of or interest on this Note, or in respect of any undertakings by the District under the Note Purchase Contract.

**Interest**

Interest on the Note shall be due and payable at the interest rate determined as set forth in Table 1 below, which is attached hereto and incorporated fully into the Note.

From the Dated Date of this Note through the Maturity Date, the Note shall bear interest on the outstanding principal balance at the rate of 2.80%. The amount of interest due and payable on the Maturity Date will be computed on the actual/360 day count basis for the number of days elapsed.

In the event the District prepays any or all principal due under the Note, the District shall also pay interest from the Dated Date to the date such prepayment is made. Interest will continue to accrue on any unpaid principal thereafter outstanding.

**Principal**

The principal amount of this Note as of any given date shall be equal to the total amount advanced by the Note Holder less any Principal Prepayment in accordance with the terms of the Note Purchase Contract as principal on this Note.

The Note Holder shall on the date of the Purchase Contract and from time to time thereafter as provided herein, advance amounts to the District to be added to the principal amount of the Note (each such advance a "Draw"). Amounts advanced with respect to a Draw may be made and amounts may be applied by the District to pay or reimburse the District for costs the Multipurpose Center and Site Improvements.

A Draw in the amount of \$[amount] (the "Initial Draw") shall be made on the Closing Date. Additional Draws (each a "Subsequent Draw") may be made only on Interest Payment Dates and upon the delivery by the District to the Note Holder of a draw request in the form of Appendix C attached hereto (a "Draw Request") not less than 30 days prior to such Interest Payment Date. The amount of any Draw cannot exceed the amount set forth for such date on the Draw Schedule and the aggregate amount of all Draws may not exceed the Approved Maximum Amount unless such Draw is approved by the Note Holder in the Note Holder's sole and absolute discretion.

Principal on this Note shall be due and payable as set forth in Table 1, below.

**Prepayment of Principal**

Principal on this Note may be prepaid at the option of the District, in whole or in part, without premium or penalty, on any date upon the District giving a minimum of two business days' advance written notice to the Note Holder that the District shall make a prepayment. The amount available for prepayment of principal and accrued interest on the prepayment amount shall be specified in such written notice. Prepayment of principal by the District shall be in the amount of \$50,000 or greater, unless the amount is the remaining balance for payment in full.

Upon written receipt of such notice, the Note Holder shall calculate the amount to be applied to outstanding principal and the amount of accrued interest and thereby notify the District of such amounts within one business day of receipt of the notice of prepayment from the District.

### **Incorporation of Note Purchase Contract**

All of the agreements, covenants, conditions, limitations, provisions and stipulations contained in the Note Purchase Contract are hereby made a part of this Note to the same extent and with the same effect as if they were fully set forth herein.

### **Actions and Remedies Upon Default**

Upon the occurrence of a Default, the Note Holder may take any or all of the actions authorized by the Note Purchase Contract. In the event of a Default, all principal and interest amounts due together with any attorney's fees incurred by the Note Holder in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder or under the Note Purchase Contract, notwithstanding anything to the contrary therein and payment thereof may be enforced and recovered in whole or in part, at any time, by one or more of the remedies provided in this Note or the Note Purchase Contract.

The remedies of the Note Holder, as provided herein and in the Note Purchase Contract, may be pursued at the sole discretion of the Note Holder and may be exercised as often as occasion therefore shall occur. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Note Holder shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Note Holder and then only to the extent specifically set forth in the waiver.

A waiver with reference to one event shall not be construed as a continuing waiver or as a bar to or waiver of any right or remedy as to a subsequent event.

### **Registration; Transfer Only to Legal Successor**

This Note is transferable upon the books of the District by the registered Note Holder hereof in person or by its attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the District, duly executed by the registered Note Holder or its duly authorized attorney; provided, this Note may be transferred only to a legal successor of the Note Holder. Upon such transfer, the District will note the date of registration and the name and address of the newly registered Note Holder on the books of the District. The District may deem and treat the person in whose name this Note is last registered upon the books of the District as the absolute owner hereof for the purpose of payments so made

to the registered Note Holder or upon such Note Holder's order shall be valid sums so paid, and the District shall not be affected by any notice to the contrary.

It is intended that this Note is made with reference to and shall be construed as a contract governed by the laws of the State of California.

**DRAFT**

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts and things required to exist, happen and be performed precedent to or in the issuance of this Note do exist, have happened and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the District has caused this Note to be executed and attested on its behalf by the manual signatures of its duly authorized officers, all as of the date first set forth above.

ACKERMAN CHARTER SCHOOL DISTRICT

By: \_\_\_\_\_  
Superintendent/Principal

ATTEST:

\_\_\_\_\_  
District Clerk

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**Table 1**

**Estimated Amortization Table of Maximum Amount**

Enter values		Loan summary	
Loan amount	\$ 7,000,000.00	Scheduled payment	\$ 229,740.54
Annual interest rate	2.80 %	Scheduled number of payments	40
Loan period in years	20	Actual number of payments	40
Number of payments per year	2	Total early payments	\$ -
Start date of loan	8/1/2016	Total interest	\$ 2,189,621.55

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance
1	2/1/2017	\$ 7,000,000.00	\$ 229,740.54	\$ 229,740.54	\$ 131,740.54	\$ 98,000.00	\$ 6,868,259.46
2	8/1/2017	6,868,259.46	229,740.54	229,740.54	\$ 133,584.91	\$ 96,155.63	\$ 6,734,674.55
3	2/1/2018	6,734,674.55	229,740.54	229,740.54	\$ 135,455.10	\$ 94,285.44	\$ 6,599,219.46
4	8/1/2018	6,599,219.46	229,740.54	229,740.54	\$ 137,351.47	\$ 92,389.07	\$ 6,461,867.99
5	2/1/2019	6,461,867.99	229,740.54	229,740.54	\$ 139,274.39	\$ 90,466.15	\$ 6,322,593.61
6	8/1/2019	6,322,593.61	229,740.54	229,740.54	\$ 141,224.23	\$ 88,516.31	\$ 6,181,369.38
7	2/1/2020	6,181,369.38	229,740.54	229,740.54	\$ 143,201.37	\$ 86,539.17	\$ 6,038,168.01
8	8/1/2020	6,038,168.01	229,740.54	229,740.54	\$ 145,206.19	\$ 84,534.35	\$ 5,892,961.82
9	2/1/2021	5,892,961.82	229,740.54	229,740.54	\$ 147,239.07	\$ 82,501.47	\$ 5,745,722.75
10	8/1/2021	5,745,722.75	229,740.54	229,740.54	\$ 149,300.42	\$ 80,440.12	\$ 5,596,422.33
11	2/1/2022	5,596,422.33	229,740.54	229,740.54	\$ 151,390.63	\$ 78,349.91	\$ 5,445,031.70
12	8/1/2022	5,445,031.70	229,740.54	229,740.54	\$ 153,510.09	\$ 76,230.44	\$ 5,291,521.61
13	2/1/2023	5,291,521.61	229,740.54	229,740.54	\$ 155,659.24	\$ 74,081.30	\$ 5,135,862.37
14	8/1/2023	5,135,862.37	229,740.54	229,740.54	\$ 157,838.47	\$ 71,902.07	\$ 4,978,023.91
15	2/1/2024	4,978,023.91	229,740.54	229,740.54	\$ 160,048.20	\$ 69,692.33	\$ 4,817,975.70
16	8/1/2024	4,817,975.70	229,740.54	229,740.54	\$ 162,288.88	\$ 67,451.66	\$ 4,655,686.82
17	2/1/2025	4,655,686.82	229,740.54	229,740.54	\$ 164,560.92	\$ 65,179.62	\$ 4,491,125.90
18	8/1/2025	4,491,125.90	229,740.54	229,740.54	\$ 166,864.78	\$ 62,875.76	\$ 4,324,261.12
19	2/1/2026	4,324,261.12	229,740.54	229,740.54	\$ 169,200.88	\$ 60,539.66	\$ 4,155,060.24
20	8/1/2026	4,155,060.24	229,740.54	229,740.54	\$ 171,569.70	\$ 58,170.84	\$ 3,983,490.55
21	2/1/2027	3,983,490.55	229,740.54	229,740.54	\$ 173,971.67	\$ 55,768.87	\$ 3,809,518.87
22	8/1/2027	3,809,518.87	229,740.54	229,740.54	\$ 176,407.27	\$ 53,333.26	\$ 3,633,111.60
23	2/1/2028	3,633,111.60	229,740.54	229,740.54	\$ 178,876.98	\$ 50,863.56	\$ 3,454,234.62
24	8/1/2028	3,454,234.62	229,740.54	229,740.54	\$ 181,381.25	\$ 48,359.28	\$ 3,272,853.37
25	2/1/2029	3,272,853.37	229,740.54	229,740.54	\$ 183,920.59	\$ 45,819.95	\$ 3,088,932.78
26	8/1/2029	3,088,932.78	229,740.54	229,740.54	\$ 186,495.48	\$ 43,245.06	\$ 2,902,437.30
27	2/1/2030	2,902,437.30	229,740.54	229,740.54	\$ 189,106.42	\$ 40,634.12	\$ 2,713,330.88
28	8/1/2030	2,713,330.88	229,740.54	229,740.54	\$ 191,753.91	\$ 37,986.63	\$ 2,521,576.97
29	2/1/2031	2,521,576.97	229,740.54	229,740.54	\$ 194,438.46	\$ 35,302.08	\$ 2,327,138.51
30	8/1/2031	2,327,138.51	229,740.54	229,740.54	\$ 197,160.60	\$ 32,579.94	\$ 2,129,977.91
31	2/1/2032	2,129,977.91	229,740.54	229,740.54	\$ 199,920.85	\$ 29,819.69	\$ 1,930,057.07
32	8/1/2032	1,930,057.07	229,740.54	229,740.54	\$ 202,719.74	\$ 27,020.80	\$ 1,727,337.33
33	2/1/2033	1,727,337.33	229,740.54	229,740.54	\$ 205,557.82	\$ 24,182.72	\$ 1,521,779.51
34	8/1/2033	1,521,779.51	229,740.54	229,740.54	\$ 208,435.63	\$ 21,304.91	\$ 1,313,343.88
35	2/1/2034	1,313,343.88	229,740.54	229,740.54	\$ 211,353.72	\$ 18,386.81	\$ 1,101,990.16
36	8/1/2034	1,101,990.16	229,740.54	229,740.54	\$ 214,312.68	\$ 15,427.86	\$ 887,677.48
37	2/1/2035	887,677.48	229,740.54	229,740.54	\$ 217,313.05	\$ 12,427.48	\$ 670,364.43
38	8/1/2035	670,364.43	229,740.54	229,740.54	\$ 220,355.44	\$ 9,385.10	\$ 450,008.99
39	2/1/2036	450,008.99	229,740.54	229,740.54	\$ 223,440.41	\$ 6,300.13	\$ 226,568.58
40	8/1/2036	226,568.58	229,740.54	226,568.58	\$ 223,396.62	\$ 3,171.96	\$ -

**APPENDIX C**  
**Letter of Representations**

[Month Day], 2016

Jenine Windeshausen  
Placer County Treasurer  
2976 Richardson Drive  
Auburn, CA 95603

Re: Ackerman Charter School District Note 2016

Dear Ms. Windeshausen:

We hereby deliver this letter to you in connection with your execution of a Note Purchase Contract (the "Note Purchase Contract"), dated Month Day, 2016, pursuant to which the District has agreed to sell the above referenced Note (the "Note") to you, as Note Holder, which Note will be held as an investment in the Placer County Treasurer's Investment Pool in which are invested the funds of a number of public agencies, including school districts, the County and special districts, serving the residents of Placer County.

The District has read and is familiar with the terms of the Note Purchase Contract, and, unless otherwise defined in this letter, capitalized terms used herein which are defined in this Note Purchase Contract shall have the respective meanings therein specified.

In order to induce you to enter into this Note Purchase Contract, and to purchase the Note as therein contemplated, and to provide assurances to the investors in the Placer County Treasurer's Investment Pool, the undersigned, Ackerman Charter School District (the "District"), hereby represents, warrants and covenants to you that:

- (a) The District is a political subdivision of the State, and has full legal right, power and authority to (i) execute and deliver this Letter of Representations, and (ii) perform its obligations under this Letter of Representations;
- (b) The District has duly authorized and approved the performance by the District of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by, this Letter of Representations;
- (c) This Letter of Representations has been duly executed and delivered by the District and constitutes valid and binding obligations of the District, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other

similar laws affecting the enforcement of creditors' rights generally and to general principles of equity;

(d) The District is not in breach of or default under any applicable law or administrative regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative instrument to which the District is a party or is otherwise subject, which breach or default could materially adversely affect the ability of the District to perform its obligations under this Letter of Representations; the execution and delivery of this Letter of Representations is or will be a party and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note resolution, certificate, contract, agreement or other instrument to which the District is a party or is otherwise subject or bound;

(e) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction that would constitute a condition precedent to the performance by the District of its obligations under this Letter of Representations have been obtained and are in full force and effect;

(f) The District is in compliance, in all material respects, with the District Resolution, and this Letter of Representations;

(g) No litigation is pending in any court or before any tribunal or administrative agency or, to the knowledge of the District, threatened in any way affecting the existence of the District or the title of the members of its District Board of Trustees or officers of the District to their respective office, or seeking to restrain or enjoin the issuance, sale or delivery of the Note or the application of the proceeds of the Note or in any way contesting or affecting the validity or enforceability of this Letter of Representations or the powers of the District or its authority to perform its duties under this Letter of Representations;

(h) All of the information provided by the District to the Note Holder in connection with the negotiation of the terms and the execution and delivery of the Note Purchase Contract is true, correct and complete in all material respects;

(i) The District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be kept, observed and performed by it contained in all contracts affecting or involving the Project to the extent that the District is a party thereto;

(j) Promptly upon learning of such occurrence, the District shall provide written notice to the Note Holder of the occurrence of any of the following:

- a. Discovery that a representation or warranty made by the District in this Letter of Representations is inaccurate in any material respect;
- b. Any material breach by the District under this Letter of Representations; or

- c. The filing of any claim or suit, or the threat of any litigation, or the commencing of any administrative proceedings against the District respecting the Note, or this Letter of Representations;
- (k) The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and conforming unto the Note Holder of the rights and benefits provided to it herein; and
- (l) Any certificate signed by the Chairman of the District Board of Trustees or of the District Superintendent, or any other authorized representative of the District shall be deemed a representation and warranty by the District to the Note Holder as to the statements made therein.

The words “hereby,” “herein,” “hereto,” “herewith,” hereunder” and other words of similar import refer to this Letter of Representations as a whole and not to any particular paragraph hereof.

Whenever either the Note Holder or the District is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Note Holder or the District and all agreements and covenants required hereby to be performed by or on behalf of the Note Holder or the District with respect to the Note shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Except as provided in the preceding paragraph, nothing contained herein, express or implied, is intended to give to any person other than the Note Holder and the Note Holder's assigns any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District shall be for the sole and exclusive benefit of the Note Holder and the Note Holder's assigns.

The Note Purchase Contract and this Letter of Representations constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between the Note Holder and the District with respect to the subject matter hereof.

Note Holder's approval of any matter in connection with this Note Purchase Contract and the Note is for the sole purpose of protecting the security and rights of the Note Holder. No such approval will result in a waiver of any default of the District. In no event may Note Holder's approval be a representation of any kind with regard to the matter being approved.

All written notices to be given by the District under the terms of the Note Purchase Contract shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as the District may provide to the Note Holder in writing from time to time, namely:

Ackerman Charter School District  
Attention: Superintendent/Principal Kelly Graham  
13777 Bowman Road  
Auburn, CA 95603

It is agreed and acknowledged by the District that the provisions of the Note Purchase Contract and this Letter of Representations have been arrived at through negotiation and that each of the parties has had a full and fair opportunity to review the provisions of the Note Purchase Contract and this Letter of Representations and to have such provisions reviewed by legal counsel. Therefore, any rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting the Note Purchase Contract and this Letter of Representations.

This Letter of Representations shall be in full force and effect from the date hereof until such time as the Note shall have been fully paid.

**DRAFT**  
ACKERMAN CHARTER SCHOOL DISTRICT  
By: \_\_\_\_\_