



**RESOLUTION No. 14-09**

**A RESOLUTION OF THE  
NAPA COUNTY TRANSPORTATION AND PLANNING AGENCY (NCTPA)  
AUTHORIZING PROCURMENT OF FINANCING INSTRUMENTS WITH  
BANK OF MARIN (BANK) AND PLEDGE OF FUTURE REVENUES**

**WHEREAS**, the Napa County Transportation and Planning Agency (NCTPA) is designated the countywide transportation planning agency responsible for highway, street and road, and transit planning and programming within Napa County; and

**WHEREAS**, NCTPA may incur debt pursuant to Section 53852 of the California Government Code, for any purpose for which NCTPA is authorized to use and expend moneys, including but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the agency; and

**WHEREAS**, NCTPA may pledge certain revenues pursuant to Section 53856 of the California Government Code, including any taxes, income, revenue, cash receipts, or other moneys of the agency, including moneys deposited in inactive or term deposits, for the payment of indebtedness represented by a note or notes or similar debt instrument; and

**WHEREAS**, NCTPA acknowledges that any note or notes, or similar debt instrument, and the interest thereon shall be a first lien and charge against, and shall be payable from the first moneys received by NCTPA from such pledged moneys; and

**WHEREAS**, NCTPA's projects and programs are funded on a reimbursement basis, creating temporary shortage of working capital; and

**WHEREAS**, NCTPA requires a financial credit facility, consisting of a revolving line of credit, for positive cash flow until grant reimbursements are received; and

**WHEREAS**, NCTPA wishes to accelerate delivery of transportation and transit projects with the use of the financial credit facility provided by the Bank; and

**WHEREAS**, NCTPA must enter into an agreement with the Bank for the issuance of the financial credit facility and to evidence a loan to NCTPA (Debt Instrument Agreement); and

**WHEREAS**, NCTPA agrees to make payments under the Debt Instrument Agreement in sums sufficient to pay the principal of, premium, if any, and interest due on such debt;

**NOW THEREFORE BE IT RESOLVED:**

1. The Board approves entering into a Debt Instrument Agreement with the Bank in accordance with the Bank's Term Sheet attached and further authorizes the Executive Director to negotiate, execute and deliver the Debt Instrument Agreement subject to the prior approval of NCTPA Legal Counsel.

2. The Board acknowledges that if there is a failure to make, as and when due, any payment of the principal of, premium, if any, and interest under the Debt Instrument Agreement to Bank, it pledges as collateral those funds appropriated to NCTPA during the loan term of the Debt Instrument Agreement specified as follows: i) funds from the Federal Transit Administration (FTA), ii.) funds from the Federal Highway Administration (FHWA), iii.) funds from the Congestion Mitigation and Air Quality (CMAQ), iv.) funds received pursuant to the California Transportation Development Act (Local Transportation Funds (LTF) and State Transit Assistance (STA) funds), v.) CalTrans Planning, Programming and Monitoring (PPM) funds, and vi.) Metropolitan Transportation Commission Regional Measure 2 (RM2) funds, and vii.) Public Transportation, Improvement, and Service Enhancement Account Program (PTMISEA-Prop 1B) funds - for all future payments of principal, premium, if any, and interest under the Debt Instrument Agreement when due and payable, so as to ensure against default on such payments; provided however, no moneys encumbered for a special purpose are pledged for the payments unless an equivalent amount of the proceeds under the Debt Instrument Agreement is set aside for the special purpose. The specified funds shall be the sources of payment for the principal, premium, if any, and interest due under the Debt Instrument Agreement.
3. That the Board designates the Executive Director, or her designee, to be responsible for implementing procedures to monitor post-issuance compliance with covenants in any loan agreement between the Bank and NCTPA.

Passed and adopted this 16<sup>th</sup> day of April, 2014.

  
 Keith Caldwell, NCTPA Chair

Ayes: BENNETT (2), BARNES (1),  
 CANNING (1), SEDGLEY (5),  
 TECHEL (5), LUCE (2),  
 CALDWELL (2), NEVERO (1),  
 WHITE (1), MOHLER (1),  
 DUNBAR (1)

Noes: NONE

Absent: GARCIA (2)

ATTEST:

  
 Karalyn E. Sanderlin, NCTPA Board Secretary

APPROVED:

  
 Janice Killion, NCTPA Legal Counsel