

RESOLUTION  
OF THE  
DELAWARE COUNTY INTERMEDIATE UNIT  
DELAWARE COUNTY, PENNSYLVANIA

REQUESTING THE DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY TO ISSUE UP TO \$85,000,000 OF LEASE REVENUE BONDS FOR THE PURPOSE OF, INTER ALIA, FINANCING THE DESIGN, CONSTRUCTION, RENOVATION AND IMPROVEMENTS TO THE FOLCROFT CENTER LOCATED IN FOLCROFT, PENNSYLVANIA; APPROVING THE FORM OF A SECOND AMENDMENT TO LEASE AGREEMENT BETWEEN THE AUTHORITY AND THE INTERMEDIATE UNIT, IN ITS CAPACITY AS OPERATING AGENT, AND THE RENTALS PAYABLE BY THE INTERMEDIATE UNIT THEREUNDER AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF; APPROVING THE FORM OF A FIRST AMENDMENT TO SUBLEASE AGREEMENT BETWEEN THE INTERMEDIATE UNIT AND THE VO-TECH BOARD AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF; AUTHORIZING THE OFFICIALS OF THE INTERMEDIATE UNIT TO TAKE OTHER APPROPRIATE ACTION; AND REPEALING ALL RESOLUTIONS INCONSISTENT HEREWITH.

WHEREAS, the Delaware County Area Vocational-Technical Schools (the "Vo-Tech Schools") were established under an agreement (the "Agreement") dated March 11, 1966, among the Delaware County Board of School Directors/Delaware County Area Vocational-Technical Board (the "Vo-Tech Board") and the School Districts of Delaware County which were parties thereto (the "Member Districts"); and

WHEREAS, under the provisions of the Public School Code of 1949, Public Law 30, March 10, 1949, as amended (the "School Code"), the Vo-Tech Board was composed of the boards of the school directors for all of the Member Districts. The Agreement granted the Vo-Tech Board all the powers and responsibilities granted to area vocational-technical boards under the School Code. The powers and responsibilities of vocational-technical boards are set forth in the School Code; and

WHEREAS, the School Code subsequently transferred all powers and duties of county boards of school directors with respect to vocational-technical education to intermediate unit boards of directors. The intermediate unit for the Member Districts is Delaware County Intermediate Unit No. 25 (the "Intermediate Unit"). The Intermediate Unit in addition acts as an education services agency to the Member Districts in a capacity unrelated to the provision of vocational-technical education services; and

WHEREAS, the Agreement was subsequently restated and revised on July 1, 1988, in an agreement between the Member Districts and Delaware County Intermediate Unit Board of Directors (the "DCIU Board"); and

WHEREAS, each of the Member Districts previously approved by resolution that the Intermediate Unit, acting as operating agent, be directed to enter into a lease of the Career and Technical Education building, the Marple Center and the Folcroft Center (together, the "Authority Facilities"), and to pay lease rentals thereunder sufficient to pay the principal and interest on debt obligations be issued by the Authority; and

WHEREAS, the Intermediate Unit, as operating agent, desires that the Authority issue in one or more series or subseries up to \$85,000,000 aggregate principal amount of its Lease Revenue Bonds (Delaware County Intermediate Unit No. 25) (the "Bonds") under a Second Supplemental Indenture, between the Authority and The Bank of New York Mellon Trust Company, N.A., as the trustee (the "Trustee"), dated as of the date of closing (the "Second Supplemental Indenture"), to the Trust Indenture, dated as of November 15, 2013 (the "Original Indenture"), as supplemented by a First Supplemental Indenture, dated as of December 15, 2021 (the "First Supplemental Indenture", and along with the Original Indenture, the "Existing Indenture", and collectively with the Second Supplemental Indenture, the "Indenture") in order to finance: (a) the design, construction, renovation and improvements to the Folcroft Center located in Folcroft, Pennsylvania and (b) to pay the costs and expenses, including bond insurance, if any, of issuance of the Bonds (the "Project"); and

WHEREAS, in order to provide for the repayment of the Bonds, the Intermediate Unit, as lessee and as operating agent of the Career and Technical Education building in Aston, the Marple Center and the Folcroft Center (together, the "Authority Facilities"), will enter into an amendment dated as of the date of closing (the "Second Lease Amendment") to the Lease Agreement dated as of November 15, 2013 (the "Original Lease Agreement"), as previously amended by a First Amendment to Lease, dated as of December 15, 2021 (the "First Lease Amendment" and together with the Original Lease, the "Existing Lease", and collectively with the Second Lease Amendment, the "Lease"), to the Authority, as lessor, providing for the payment of rentals by the Intermediate Unit to the Authority (which rentals have been assigned to the Trustee) in amounts sufficient to pay the principal of and interest on the Bonds pursuant to the Lease; and

WHEREAS, the Intermediate Unit subleases a portion of the Authority Facilities to the Vo-Tech Board for use in the provision of vocational-technical education services and will enter into an amendment dated as of the date of closing (the "First Sublease Amendment") to the Sublease Agreement dated as of November 15, 2013 (the "Original Sublease Agreement", and along with the First Sublease Amendment, the "Sublease"), providing for the payment of rentals by the Vo-Tech Board to the Intermediate Unit (which rentals have been assigned to the Trustee) in amounts sufficient to pay a portion of the principal of and interest on the Bonds pursuant to the Sublease whether received as operating agent under the Agreement or through operation of certain programs conducted independently by the Vo-Tech Board in certain portions of the leased premises; and

WHEREAS, the Authority and the Intermediate Unit shall acknowledge and confirm in the Lease that the Rentals (and any other payments, sums or amounts due under the Lease) to be made by the Intermediate Unit are the general obligation of the Intermediate Unit, to which its full faith and credit is pledged, payable from any of its funds lawfully available to the Intermediate Unit for such purpose, whether received as operating agent under the Agreement or

through operation of certain programs conducted independently by the Intermediate Unit in certain portions of the leased premises; and

WHEREAS, the Intermediate Unit and the Vo-Tech Board shall acknowledge and confirm in the Sublease that the Rentals (and any other payments, sums or amounts due under the Sublease) to be made by the Vo-Tech Board are the general obligation of the Vo-Tech Board, to which its full faith and credit is pledged, payable from any of its funds lawfully available to the Vo-Tech Board for such purpose; and

WHEREAS, in order to secure the payment of the principal of, and interest on, the Bonds, the Authority will assign and pledge to the trustee (the "Trustee") under the Indenture all of its right, title and interest in and to the Lease and all rentals payable thereunder; and

WHEREAS, certain action is required by the Intermediate Unit to effectuate the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DELAWARE COUNTY INTERMEDIATE UNIT, DELAWARE COUNTY, PENNSYLVANIA, AS FOLLOWS:

Section 1. The Board hereby approves the Project and the financing thereof. The Intermediate Unit hereby requests that the Authority issue its Lease Revenue Bonds, in one or more series or subseries, in an amount of up to \$85,000,000, on a tax-exempt basis, adjusted upward if necessary to reflect any original issue discount upon sale of bonds (the "Bonds"), to finance the Project, which Bonds shall not be a debt or liability of the Member Districts of the Intermediate Unit.

Section 2. This Board hereby approves the issuance by the Authority of the Bonds to finance the Project contemplated herein; provided that the amount of the Bonds not exceed \$85,000,000 (except for the effect of any original issue discount if any); the average coupon interest rate shall not exceed 6.00%; the underwriting discount shall not exceed 0.80%; the final maturity of the Bonds shall not exceed 35 years from the date of issuance; provided however, prior to the execution of the final Bond Purchase Agreement, all necessary land use approvals required for the Project have been obtained.

Section 3. The form, terms and provisions of the Second Lease Amendment, substantially in the form as presented at this meeting (a copy of which shall be filed with the records of the Intermediate Unit) and the provisions for the payments and other sums payable thereunder are hereby approved. The form, terms and provisions of the First Sublease Amendment, substantially in the form as presented at this meeting (a copy of which shall be filed with the records of the Intermediate Unit) and the provisions for the payments and other sums payable thereunder are hereby approved. The President or Vice-President of the Intermediate Unit are hereby authorized, directed and empowered on behalf of the Intermediate Unit to execute, acknowledge and deliver the Second Lease Amendment and First Sublease Amendment, respectively, and the Secretary or Assistant Secretary is hereby authorized and directed to affix and attest the corporate seal of the Intermediate Unit to the Second Lease Amendment and First Sublease Amendment, respectively, subject to such

changes and modifications, if any, as counsel to the Intermediate Unit and the Executive Director shall recommend and as the President, Vice-President or other authorized officer by execution thereof, shall approve; provided, however, the maximum annual payment to the Authority from the Intermediate Unit pursuant to the Lease, as supplemented, shall not exceed \$7,488,342.10 and the maximum term of such Lease and Sublease shall not exceed 35 years from the date of issuance of the Bonds. This Board acknowledges that the Lease, upon execution of the Second Lease Amendment, as aforesaid, shall continue to be a general obligation of the Intermediate Unit, and the full faith and credit of the Intermediate Unit is pledged to the payment of all sums due thereunder. The Board hereby confirms and ratifies all provisions set forth in the Existing Lease and Original Sublease Agreement, as so modified by the Second Lease Amendment and First Sublease Agreement, respectively.

Section 4. The officers of the Intermediate Unit are hereby authorized, directed and empowered to take all such actions and to execute such other documents or certificates, including a Tax Compliance Certificate and Continuing Disclosure Agreement (relating to providing financial and operating information to financial markets on a continuing basis), as may be necessary or appropriate to accomplish the Project in accordance with the true intent and meaning thereof and hereof.

Section 5. This Resolution sets forth the official intent of the Intermediate Unit that the Project be financed through the issuance of tax-exempt debt obligations through the Delaware County Vocational-Technical School Authority and to seek reimbursement for any expenditures for the Project made by the Intermediate Unit out of its general funds prior to the issuance of such tax-exempt debt as permitted under Section 1.150-2 of the United States Treasury Regulations.

Section 6. All prior actions taken by any officers of the Intermediate Unit to effect the Project are hereby ratified, confirmed and approved.

Section 7. All resolutions or parts of resolutions inconsistent herewith are hereby repealed. This Resolution shall take effect immediately.

DULY ADOPTED this 1st day of June, 2022, by the Board of the Delaware County Intermediate Unit.

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Board of the Delaware County Intermediate Unit, HEREBY CERTIFIES that:

The foregoing Resolution was duly moved and seconded and adopted by a majority vote of the members of the Board at a duly called and convened public meeting of said Board held on June 1, 2022, that public notice of said meeting was given as required by law; and that said Resolution has been duly recorded upon the minutes of the Board and has not been altered, amended, modified, or rescinded and is still in full force and effect as of the date of the delivery of this Certificate.

WITNESS my hand and seal of the Delaware County Intermediate Unit as of the \_\_\_\_\_ day of June, 2022.

[SEAL]

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Secretary