

EXHIBIT 3-B

RESOLUTION 2012-15

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
APPROVING OBTAINING A LOAN WITH RABOBANK, N.A.
IN AN AMOUNT NOT-TO-EXCEED \$4 MILLION
FOR AQUIFER STORAGE RECOVERY COSTS**

WHEREAS, the District has used reserve and credit line proceeds to complete the Aquifer Storage and Recovery Project; and,

WHEREAS, the District was previously reimbursed for the Aquifer Storage Recovery costs from the User Fee collected by California American Water Company; and,

WHEREAS, since May 2011, the District has not been able to collect the User Fee and has not been able to get reimbursement for the Aquifer Storage Recovery costs; and,

WHEREAS, the outstanding balance of unreimbursed amount is \$2,188,625.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Monterey Peninsula Water Management District hereby approve obtaining a loan with Rabobank, N.A. for not-to-exceed amount of \$4 million for reimbursement of the Aquifer Storage Recovery costs, as per the Terms and Conditions dated November 28, 2012 (Attachment 1).

On motion of Director _____, and second by Director _____, the foregoing resolution is duly adopted this 10th day of December 2012 by the following votes:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 10th day of December 2012.

Witness my hand and seal of the Board of Directors this ____ day of December 2012.

David J. Stoldt,
Secretary to the Board