



RESOLUTION 2012-14

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT DECLARING THE OFFICIAL INTENT TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF TAX EXEMPT SECURITIES

WHEREAS, the Monterey Peninsula Water Management District (the "District") desires to finance the construction of facilities described in detail below (collectively the "Project"); and

WHEREAS, the District will be expending funds for the acquisition of the project; and

WHEREAS, the District reasonably expects to reimburse such expenditures by authorizing the sale and delivery of Certificates of Participation, as described below:

NOW, THEREFORE, the Board of Directors of the Monterey Peninsula Water Management District hereby resolves as follows:

1. This Resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.
2. The District desires to finance the permitting, design, and construction of the Project consisting of a Groundwater Replenishment project to be designed, built, owned, and operated by the Monterey Regional Water Pollution Control Agency.
3. The District has determined that Groundwater Replenishment is a project for the common benefit of the District as a whole.
4. The District reasonably expects to reimburse the expenditures through the sale and delivery of Certificates of Participation (the "Debts"), the interest component of which is excludable from gross income under Section 103 of the Internal Revenue Code. The expected maximum principle amount of the Certificates of Participation to be issued for the project is \$85,000,000.
5. The reimbursement allocation to be made with respect to the expenditures will occur not later than eighteen (18) months after the later of (i) the date on which the expenditure is made, or (ii) the Project is placed in service, but in no event more than 3 years after the expenditure is paid.

6. This Resolution expresses the District's expectations as of this date with respect to the financing of the construction and acquisition of the Project. Future events or extraordinary circumstances beyond the control of the District may result in the Project being financed in a manner other than as described in this Resolution, and nothing contained herein constitutes an irrevocable commitment by the District to issue the Certificates of Participation.

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

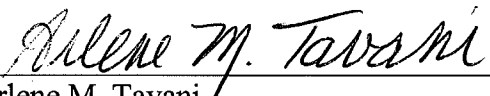
AYES: Directors Lehman, Lewis, Byrne, Markey and Pendergrass

NAYS: None

ABSENT: Directors Brower and Potter

I, Arlene M. Tavani, Deputy 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 11th day of December 2012.



Arlene M. Tavani
Deputy Secretary to the Board

COPY CERTIFICATION

I, Arlene M. Tavani, Deputy Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true and correct copy of Resolution No. 2012-14 duly adopted on the 10th day of December 2012.

Arlene M. Tavani
Arlene M. Tavani,
Deputy Secretary to the Board of Directors

12/10/2012
Date