



RESOLUTION NO. 2013-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF AN INSTALLMENT
PURCHASE AGREEMENT, A SALE AND TRANSFER AGREEMENT, AND AN ASSIGNMENT
AGREEMENT, AND AUTHORIZING THE EXECUTION OF OTHER NECESSARY DOCUMENTS AND
APPROVING RELATED ACTIONS**

WHEREAS, the Monterey Peninsula Water Management District (the "District") desires to (i) retire a Bank of America, N.A. line of credit, (ii) fund reserves for the District, (iii) finance and refinance certain capital improvements for the District, (iv) fund a debt service reserve, and (v) pay certain costs of execution and delivery of the Installment Purchase Agreement and related documents (collectively, the "Project"); and

WHEREAS, to provide funds necessary to finance and refinance the Project, the District desires that a corporation (the "Corporation") to be formed or selected by an Authorized Officer (as defined herein) to purchase certain property from the District which the District will then purchase from the Corporation in consideration for the installment payments (the "Installment Payments") to be made by the District pursuant to an Installment Purchase Agreement, by and between the District and the Corporation (such Installment Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Installment Purchase Agreement"); and

WHEREAS, the Corporation intends to assign without recourse certain of its rights under and pursuant to the Installment Purchase Agreement to Rabobank, N.A. (the "Bank"), pursuant to an Assignment Agreement, by and between the Bank and the Corporation (such Assignment Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Assignment Agreement") and a Purchase Agreement, by and among the Bank, the District and the Corporation (such Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Purchase Agreement"); and

WHEREAS, the District intends to convey and transfer without recourse all of its right, title and interest in and to certain District property, pursuant to a separate Sale and Transfer Agreement, by and between the District and the Corporation (such Sale and Transfer Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Sale and Transfer Agreement"); and

WHEREAS, there have been prepared and submitted to this meeting:

- (a) A form of Installment Purchase Agreement;

- (b) A form of Sale and Transfer Agreement;
- (c) A form of Assignment Agreement; and
- (d) A form of Purchase Agreement.

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing and refinancing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND FIND:

Section 1. All of the recitals herein contained are true and correct and the Board of Directors of the District (the “Board”) so finds.

Section 2. The form of Installment Purchase Agreement, submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. The Chair of the Board, and such other member of the Board as the Chair may designate, the General Manager of the District, Chief Financial Officer of the District, and such other officers of the District as the General Manager of the District may designate (each an “Authorized Officer”) are, and each of them is, hereby authorized and directed, for and in the name of the District, to execute and deliver the Installment Purchase Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery of the Installment Purchase Agreement by such Authorized Officer. The aggregate principal amount of the Installment Payments under the Installment Purchase Agreement shall not exceed \$4,000,000. The interest rate with respect to the Installment Payments shall not exceed 3.6%.

Section 3. The form of Assignment Agreement, submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the District, to execute and deliver the Assignment Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Assignment Agreement by such Authorized Officer.

Section 4. The form of Sale and Transfer Agreement, submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the District, to execute and deliver the Sale and Transfer Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may

require or approve, such requirement or approval to be conclusively evidenced by the execution of the Sale and Transfer Agreement by such Authorized Officer.

Section 5. The form of Purchase Agreement, submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the District, to execute and deliver the Purchase Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Purchase Agreement by such Authorized Officer.

Section 6. The Board hereby authorizes the officers, employees and agents of the District to take any and all actions to select or form a corporation under the laws of the State of California with the corporate power and authority to enter into the documents and agreements referenced in this Resolution if an Authorized Officer determines that such corporation is necessary or desirable for the purposes of this Resolution.

Section 7. The Authorized Officers are, and each of them hereby is, authorized and directed to execute and deliver any and all documents, certificates and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the agreements and documents referenced in this Resolution.

Section 8. All actions heretofore taken by the officers and employees of the District with respect to or related to any of the agreements or documents referenced in this Resolution, are hereby approved, confirmed and ratified.

Section 9. This Resolution shall take effect immediately upon its adoption.

On a motion by Director Brower and seconded by Director Potter the foregoing resolution is duly adopted this 1st day of April 2013 by the following votes:

AYES: Directors Brower, Potter, Byrne, Lehman, Lewis and Pendergrass
NAYS: None
ABSENT: Director Markey

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 1st day of April 2013.

Witness my hand and seal of the Board of Directors this 17th day of April 2013.

David J. Stoldt, Secretary to the Board

COPY CERTIFICATION

I, David J. Stoldt, 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. 2013-04 duly adopted on the 1st day of April 2013.



David J. Stoldt,
Secretary to the Board of Directors

4.17.13
Date