



RESOLUTION 2013-06

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 contribute funds to finance the construction of facilities described in detail below (collectively the "Project"); and

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

WHEREAS, the District reasonably expects to reimburse such expenditures by authorizing the sale and delivery of Ratepayer Relief Bonds, 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 a portion of the permitting, design, and construction of the Project consisting of a desalination facility to be designed, built, owned, and operated by the California American Water Company.
3. The District has determined that the Project 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 Ratepayer Relief Bonds (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 Ratepayer Relief Bonds to be issued for the project is \$100,000,000.
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 Ratepayer Relief Bonds.

On motion of Director Byrne, and second by Director Brower, the foregoing resolution is duly adopted this 20th day of May 2013 by the following votes:

AYES: Directors Brower, Byrne, Lehman and Pendergrass

NAYS: Director Lewis

ABSENT: Directors Markey and Potter

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 20th day of May 2013.

Witness my hand and seal of the Board of Directors this 16th day of June 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. 2013-06 duly adopted on the 20th day of May 2013.



David J. Stoldt,
Secretary to the Board of Directors

6.18.13
Date