



RESOLUTION 2013-14

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 contribute funds to finance the environmental and permitting work for 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 bonds or 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 a portion of the environmental and permitting work of the Project consisting of a desalination facility being developed by DeepWater Desal LLC to be located in Moss Landing.
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 bonds or 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 Debts to be issued for the project is \$200,000,000.
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 Debts.

On motion of Director Lewis, and second by Director Lehman, the foregoing resolution is duly adopted this 19th day of August 2013 by the following votes:

AYES: Directors Lewis, Lehman, Brower, Byrne, Pendergrass & Potter
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 19th day of August 2013.

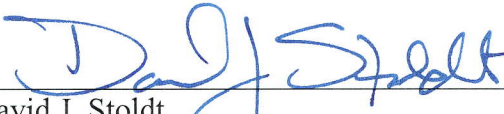
Witness my hand and seal of the Board of Directors this 17th day of September 2013.



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. 2013-14 duly adopted on the 19th day of August 2013.



David J. Stoldt,
Secretary to the Board of Directors

9.18.13
Date