

RESOLUTION NO. 2007- 16

**A RESOLUTION OF THE SAN BENITO COUNTY WATER DISTRICT
BOARD OF DIRECTORS AUTHORIZING THE EXECUTION OF
AGREEMENTS RELATING TO FINANCIAL
PARTICIPATION IN THE DELTA-MENDOTA CANAL –
CALIFORNIA AQUEDUCT INTERTIE PROJECT,
AND AUTHORIZING RELATED ACTIONS**

WHEREAS, the Board of Directors of the San Benito County Water District (the “Board” and the “District,” respectively) has previously authorized, and the District has entered into, that certain Agreement between the United States and the San Benito County Water District to Provide for Financial Participation in the Delta-Mendota Canal – California Aqueduct Intertie Project (the “Contributed Funds Agreement” and the “Project,” respectively).

WHEREAS, the District has fully performed its financial obligations under the Contributed Funds Agreement.

WHEREAS, delay occasioned by litigation concerning the Project has resulted in substantial District funds that have been contributed for the Project not yet being required for Project purposes and therefore being held by the United States, Department of the Interior, Bureau of Reclamation in a non-interest-bearing account.

WHEREAS, the Board has considered that certain “Amendatory Agreement” Between the United States and the San Benito County Water District to Provide for Financial Participation in the Delta-Mendota Canal – California Aqueduct Intertie Project (the “Amendatory Agreement”), presented to the Board and on file with the Secretary hereof, which modifies the Contributed Funds Agreement so that funds contributed by the District can be transferred to the San Luis & Delta-Mendota Water Authority, to be held on behalf of the District in an interest-bearing account together with the contributed funds of other Project participants, until such time as the funds are required by the United States for the Project or distributed pursuant to the terms of the Contributed Funds Agreement, as amended, and establishing requirements for that account.

WHEREAS, the Board has considered that certain San Luis & Delta-Mendota Water Authority Intertie Funding Activity Agreement, setting forth the terms agreed between the Water Authority and its members who are participants in the Project for the Water Authority to hold and administer said account.

WHEREAS, the Board has previously reviewed the Intertie Project pursuant to the California Environmental Quality Act, and neither the present Amendatory Agreement nor the Intertie Funding Activity Agreement modify the environmental effects of that Project, but instead are administrative actions that do not constitute a project as defined by CEQA.

WHEREAS, financial participation in the Project under the terms of the Amendatory Agreement and the Intertie Funding Activity Agreement is in the best interest of the District and with respect to the public affairs thereof.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The facts contained in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The District President and Secretary are hereby authorized to execute the Amendatory Agreement in substantially the form presented to the Board, subject to such revisions, additions and deletions as such executing officers may approve prior to execution, said execution to provide conclusive evidence of such approval.

Section 3. The District President and Secretary are hereby authorized to execute the San Luis & Delta-Mendota Water Authority Intertie Funding Activity Agreement on final terms and conditions approved by such executing officers, said execution to provide conclusive evidence of such approval.

Section 4. The Manager or any employee duly designated by the Manager, is hereby authorized and directed to execute any and all additional agreements and/or other documents, and to take such additional actions as may be necessary or convenient to carry out the intent of this Resolution.

Section 5. The form of this Resolution may be amended to incorporate corrections or revisions required to conform to the terms hereof to any final form of Resolution adopted by other Project participants in order to implement the actions authorized hereby.

PASSED AND ADOPTED at a Regular Meeting of the Board of Directors of the San Benito County Water District held on the 29th of August 2007, by the following vote:

AYES: DIRECTORS: Swanson, Bettencourt, Tobias, Perry and Flores
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None

/s/Robert M. Swanson
Robert M. Swanson
President

Attest:

/s/Shelley Giancola
Shelley Giancola
District Secretary

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I hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by San Benito County Water District, at a meeting of the Board of Directors thereof duly called and held at the office of the District on the 29th day of August 2007.

District Secretary