

**RESOLUTION NO. 2015-23**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BENITO COUNTY WATER DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF A WATER SYSTEM PROJECT**

WHEREAS, the San Benito County Water District (the "District") is a county water district duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District desires to provide for financing in the approximate amount of \$5,500,000.00 for the acquisition and construction of water system improvements (the "Project"); and

WHEREAS, Bartle Wells Associates and Municipal Finance Corporation (the "Corporation") has proposed a cost-effective fifteen year installment sale financing arrangement at a 3.20% interest rate;

NOW, THEREFORE, it is resolved by the Board of Directors of the San Benito County Water District as follows:

SECTION 1. Installment Sale Agreement. The President of the Board of Directors, the General Manager or a designee in writing is hereby authorized to enter into an Installment Sale Agreement (the "Installment Sale") with the Corporation to finance the Project, subject to approval as to form by the District's legal counsel.

SECTION 2. Attestations. The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of the President of the Board of Directors, the General Manager or of such other person or persons as may have been designated by the President of the Board of Directors or the General Manager, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Installment Sale.

SECTION 3. Authorization to Establish Project Fund. The Board of Directors hereby authorizes and directs the President of the Board, the General Manager or a designee in writing to make appropriate arrangements to establish a special fund into which the proceeds of the financing are deposited for the purpose of paying the costs of the Project.

SECTION 4. Other Actions. The President of the Board of Directors, the General Manager and other officers of the District are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all documents, agreements and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution and the Installment Sale. Such actions are hereby ratified, confirmed and approved.

SECTION 5. Qualified Tax-Exempt Obligations. The Installment Sale is hereby designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The District, together with all subordinate entities of the District, do not reasonably expect to issue during the calendar year in which the Installment Sale is issued more than \$10,000,000 of obligations which it could designate as "qualified tax-exempt obligations" under Section 265(b) of the Code.

SECTION 6. Effect. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED this 16th day of December, 2015, by the following vote:

AYES: Directors: Tonascia, Flores, Tobias, Bettencourt & Huenemann

NOES: Directors: None

ABSTENTIONS: Directors: None

ABSENT: Directors: None

Approved: /s/ Joseph A. Tonascia  
Joseph A. Tonascia  
President of the Board

Attest: /s/ Sara Singleton  
Sara Singleton  
Assistant Manager

I, Sara Singleton, secretary of the San Benito County Water District, do hereby certify that this is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors duly held on December 16, 2015 at which meeting a duly constituted quorum of the Board of Directors was present and acting throughout and that such resolution has not been modified, rescinded or revoked and is at present in full force and effect.

/s/Sara Singleton  
Sara Singleton

12/16/2015  
Date