

RESOLUTION NO. 2024-38

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN BENITO COUNTY WATER DISTRICT
DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM
PROCEEDS OF TAX-EXEMPT OBLIGATIONS**

WHEREAS, the San Benito County Water District (the “District”) owns and operates a system for the supply, treatment and distribution of water within the service area of the District (the “Water System”) and the District wishes to finance capital improvements to the Water System (the “Project”); and

WHEREAS, in order to provide funds to finance the Project, the District will authorize the issuance of an Installment Sale Agreement or other obligation in an aggregate principal amount of approximately \$30,000,000 (the “Obligation”); and

WHEREAS, in order to use the proceeds of the Obligation to reimburse advances made by the District for the Project before the date of issuance of the Obligation, but not more than 60 days before the date of adoption of this Resolution, Section 1.150-2 of the United States Income Tax Regulations (the “Regulations”) requires that Board of Directors of the District (the “Board”) declare its intention to reimburse such advances from the proceeds of the Obligation; and

WHEREAS, it is in the public interest and for the public benefit that the District declare its official intent to reimburse the expenditures referenced herein to implement the financing plan for the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Benito County Water District as follows:

1. Declaration of Intent. The Board hereby declares that it reasonably expects to use a portion of the proceeds of the Obligation to reimburse expenditures made by the District for the Project before the date of issuance of the Obligation, and not more than 60 days before the date of adoption of this Resolution. The District anticipates that the Obligation will be issued in an aggregate principal amount which is sufficient to raise funds for the Project in the approximate amount of \$30,000,000.

2. Purposes. The adoption of this resolution shall be solely for the purposes of complying with the Regulations and evidencing the intention of this Board to reimburse certain expenditures from the proceeds of the Obligation, if and when issued, and shall not be deemed a final approval of all or any part of the Project or a final commitment on the part of the District to issue any or all of the Obligation.

3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

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PASSED AND ADOPTED by the Board of Directors of the San Benito County Water District at a special meeting, this 17th day of October, 2024, by the following vote:

AYES: Shelton, Williams, Flores, Tonascia & Wright

NOES: None

ABSTAIN: None

ABSENT: None

ATTEST:

/s/Barbara L. Mauro
Barbara L. Mauro
Board Secretary

APPROVED:

/s/Andrew Shelton
Andrew Shelton, President