

## RESOLUTION NO. 534

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUNNYSLOPE COUNTY WATER DISTRICT

#### AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE MUNICIPAL FINANCE CORPORATION, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE REFINANCING OF THE 2002 CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY BONDS

WHEREAS, the Sunnyslope 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 prepay and refinance that certain Installment Purchase Agreement dated May 1, 2002 between the District and the California Statewide Communities Development Authority (the "Prior Agreement"); and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective loan refinancing arrangement in a principal amount not-to-exceed \$3,975,000 over a 15-year term at a 3.40% interest rate to pay off the Prior Agreement;

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

**SECTION 1. Loan Agreement.** The President of the Board of Directors or a designee in writing is hereby authorized to enter into a Loan Agreement (the "Loan") with the Corporation to refinance the Prior Agreement, 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 or of such other person or persons as may have been designated by the President of the Board of Directors, 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 Loan.

**SECTION 3. Other Actions.** The President of the Board of Directors 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 Loan. Such actions are hereby ratified, confirmed and approved.

**SECTION 4. Qualified Tax-Exempt Obligations.** The Loan 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, does not reasonably expect to issue during the calendar year in which the Loan 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 5. Effect.** This Resolution shall take effect immediately upon its passage.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED,** the Sunnyslope County Water District Board of Directors hereby authorizes the execution and the delivery of the loan agreement with the Municipal Finance Corporation, and authorizes and directs the required actions in connection with the refinancing of the 2002 California Statewide Communities Development Authority Bonds.

**THE FOREGOING RESOLUTION** on a motion by Director Hill and second by Director Meraz is duly adopted this 16<sup>th</sup> day of September, 2014, by the following vote:

AYES:	DIRECTORS:	Clapham, Hill, Johnson, Meraz, and Villalon
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

SUNNYSLOPE COUNTY WATER DISTRICT

BY:   
Danny Villalon, President

(SEAL)

ATTEST:

  
Donald G. Ridenhour, General Manager

**CERTIFICATE OF SECRETARY**

The undersigned Secretary of the Board of Directors of Sunnyslope County Water District hereby certifies that the foregoing is a full, true and correct copy of the resolution adopted on September 16, 2014 as Resolution No. 534.

Dated: September 18, 2014



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Donald G. Ridenhour, Secretary