

## RESOLUTION NO. 2014-1995

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH MUNICIPAL FINANCE CORPORATION FOR THE PURPOSE OF REFINANCING WASTEWATER REVENUE CERTIFICATES OF PARTICIPATION, AND AUTHORIZING AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Las Gallinas Valley Sanitary District (the "District") is a sanitary district duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District and the Public Property Financing Corporation of California ("PPFCC") previously entered into an Installment Sale Agreement dated as of November 1, 2005 (the "Prior Agreement") for financing improvements to the wastewater system of the District; and

WHEREAS, the District desires to prepay the Prior Agreement and the related 2005 Certificates of Participation (the "2005 Certificates") issued pursuant to a Trust Agreement dated as of November 1, 2005 among the District, PPFCC and Wells Fargo Bank (the "Trustee") in order to realize interest savings; and

WHEREAS, the District is authorized to refund the indebtedness evidenced by the Prior Agreement pursuant to Section 53570 et seq. of the California Government Code; and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective Loan refinancing arrangement at a 3.30% interest rate for a principal amount not to exceed \$7,000,000.00 over a term not to exceed 12 years;

NOW, THEREFORE, it is resolved by the Board of Directors of the Las Gallinas Valley Sanitary District as follows:

SECTION 1. Loan Agreement. The President of the Board of Directors or a designee in writing is hereby authorized to execute a Loan Agreement (the "Loan") with the Corporation to refinance and prepay 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 and the Trust Agreement.

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 officer is authorized to provide notice to the Trustee of the 2005 Certificates of the District's intent to prepay the 2005 Certificates. 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, do 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.

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I hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on the 30<sup>th</sup> day of January, 2014, by the following vote of the members thereof:

AYES, and in favor thereof Members: *Clark, Elias, Greenfield, Murray, Schrieblman*  
NOES, Members: *None*  
ABSENT, Members: *None*  
ABSTAIN, Members: *None*

*Susan McGuire*  
Susan McGuire, District Secretary Pro Tem

APPROVED:

(seal)

*[Signature]*

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Craig K. Murray, President of Board of Directors

