

RESOLUTION NO. 2-09-888

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF WEST BASIN MUNICIPAL WATER DISTRICT
AUTHORIZING WEST BASIN TO RECEIVE
FUNDING REIMBURSEMENTS FROM THE
STATE WATER RESOURCES CONTROL BOARD**

WHEREAS, the *WEST BASIN MUNICIPAL WATER DISTRICT* (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project" – Palos Verdes Pipeline & Pump Station Project); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (the "Board"); and

WHEREAS, the Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations;

NOW, THEREFORE, THE AGENCY DOES HEREBY RESOLVE, ORDER, AND DETERMINE AS FOLLOWS:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$21,000,000.