

RESOLUTION NO. 2017-2088

**RESOLUTION OF THE BOARD OF DIRECTORS OF LAS GALLINAS VALLEY
SANITARY DISTRICT, APPROVING, AUTHORIZING AND DIRECTING EXECUTION
OF CERTAIN FINANCING DOCUMENTS AND DIRECTING CERTAIN RELATED
ACTIONS IN CONNECTION WITH FINANCING CERTAIN IMPROVEMENTS TO THE
DISTRICT'S WASTEWATER SYSTEM AND FACILITIES**

WHEREAS, Las Gallinas Valley Sanitary District (the "District") and Sausalito-Marin City Sanitary District have entered into a Joint Exercise of Powers Agreement establishing the Marin Public Financing Authority (the "Authority") for the purpose, among others, of authorizing the Authority to issue its bonds to finance and refinance the acquisition, construction and improvement of certain public capital improvements; and

WHEREAS, for the purpose of raising funds necessary to finance certain improvements to the District's wastewater system, including but not limited to treatment facilities, administrative facilities, and other capital projects, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), to be designated as the Marin Public Financing Authority (Las Gallinas Valley Sanitary District) 2017 Revenue Bonds (the "Bonds"); and

WHEREAS, the proceeds of the Bonds will be used to finance the acquisition of certain public capital improvements to the District's wastewater system, including but not limited to treatment facilities, administrative facilities, and other capital projects (collectively, the "Improvements"); and

WHEREAS, pursuant to an Installment Sale Agreement by and between the District and the Authority (the "Installment Sale Agreement"), the District will make installment payments to the Authority as the purchase price for the Improvements, and the Authority will use the installment payments made by the District to the Authority pursuant to the Installment Sale Agreement to pay debt service on the Bonds; and

WHEREAS, in order to assist the underwriters of the Bonds in complying with Rule 15c2-12 of the Securities and Exchange Commission, the District will undertake certain continuing disclosure obligations pursuant to a continuing disclosure certificate to be executed by the District (the "Continuing Disclosure Certificate"); and

WHEREAS, there has been prepared a Preliminary Official Statement containing information to be used in connection with the offering and sale of the Bonds; and

WHEREAS, the District has duly considered such transactions and wishes at this time to approve certain matters relating to these transactions in the public interest of the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAS GALLINAS VALLEY SANITARY DISTRICT,

Section 1. Significant Public Benefits. Pursuant to the Act, the Board of Directors hereby finds and determines that the issuance of the Bonds and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Act.

Section 2. Approval of Installment Sale Agreement. The Board hereby approves the form of the Installment Sale Agreement on file with the District Secretary, with such additions thereto and changes therein as the President of the Board, Vice President of the Board, General Manager, or the written designee of any of them that is a member of the Board or an officer of the District (each, a "Designated Officer"), may deem necessary, desirable or appropriate upon consultation with the bond counsel, the execution of which by the District shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers and all other appropriate officials of the District, each acting alone or in combination, are hereby authorized and directed to execute, and the District Secretary is hereby authorized to attest, as appropriate, the Installment Sale Agreement and such other agreements, documents and certificates as may be necessary or desirable to effectuate the purposes of this resolution and the financing herein authorized, including, without limitation, such other agreements, documents and certificates as may be required by the Installment Sale Agreement. The Board hereby authorizes the performance by the District of its obligations under the Installment Sale Agreement.

Section 3. Maximum Bond Parameters. The Board hereby approves the issuance of the Bonds by the Authority and the District's obligation to pay installment payments equal to the debt service on the Bonds; provided that the principal amount of Bonds may not exceed \$42,000,000, the maximum true interest cost of the Bonds may not exceed 4.50% per annum, and the final maturity of the Bonds may not exceed 30 years after the date of issuance.

Section 4. Approval of Preliminary Official Statement. The Board hereby approves the preparation of, and hereby authorizes the Designated Officers, each acting alone, to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (except for permitted omissions), the preliminary form of the Official Statement describing the Bonds (the "Preliminary Official Statement") on file with the District Secretary, together with such changes or additions as the Designated Officer may deem necessary, desirable or appropriate upon consultation with bond counsel. The Board hereby approves the distribution of the Preliminary Official Statement by the underwriters. The Designated Officers, each acting alone or in combination, are hereby authorized to execute the final form of the Official Statement with such changes or additions as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel, and the execution of the final Official Statement by the District shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final Official Statement.

Section 5. Approval of Continuing Disclosure Certificate. The Board hereby approves the Continuing Disclosure Certificate in the form attached as an Appendix to the Preliminary Official Statement on file with the District Secretary, together with such changes thereto as the Designated Officers deem necessary, desirable or appropriate, the execution of which by the District shall be conclusive proof of the approval thereof. The Designated Officers, each acting alone or in combination, are hereby authorized and directed to execute the Continuing Disclosure Certificate, with such changes, insertions and omissions as may be approved by the Designated Officer executing the Continuing Disclosure Certificate.

Section 6. Approval of Notice of Sale. The Board hereby approves the form of the Notice of Sale on file with the District Secretary, with such additions thereto and changes therein as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel, the execution of which by the District shall be conclusive evidence of the approval of any such additions or changes; provided that no such addition or change may increase the principal amount of Bonds or maximum true interest cost of the Bonds above the maximum amounts established above. The Designated Officers, each acting alone or in combination, are hereby authorized and directed to finalize and cause the distribution of the Notice of Sale and to take all actions necessary to fulfill the District's obligations thereunder. If upon the advice of the District's financial advisor, Bartle Wells Associates, the General Manager determines that a competitive sale of the Bonds is not desirable under the circumstances, then the Board authorizes and directs the General Manager to sell the Bonds pursuant to a negotiated sale and to enter into a bond purchase agreement; provided that the underwriter's discount (exclusive of any original issue discount) may not exceed 1.00%.

Section 7. Appointment of Trustee; Further Actions. The Board hereby designates U.S. Bank National Association to serve as trustee (or such other trustee bank selected by a Designated Officer). The Designated Officers and any and all other officers of the District, each acting alone or in combination, are hereby authorized and directed, for and in the name of and on behalf of the District, to do any and all things and take any and all actions, including selecting and appointing execution and delivery, or acknowledgement and agreement, of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 8. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

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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 District Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a regular meeting thereof held on March 23, 2017, by the following vote of the members thereof:

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

ATTEST:

Teresa Lerch, District Secretary

APPROVED:

Russ Greenfield, President of Board of Directors

