

**RESOLUTION NO. 2013-10**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SAN BENITO COUNTY WATER DISTRICT  
ELECTING TO REPAY OBLIGATIONS UNDER THE  
SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
DELTA HABITAT CONSERVATION AND  
CONVEYANCE PROGRAM ACTIVITY AGREEMENT,  
APPROVING THE EXECUTION AND DELIVERY OF  
CERTAIN DOCUMENTS IN CONNECTION  
THEREWITH AND CERTAIN OTHER MATTERS**

WHEREAS, the San Benito County Water District (the “District”), a special district duly organized and existing under and pursuant to the Constitution and laws of the State of California, is a member of the San Luis & Delta-Mendota Water Authority (the “Authority”), a joint exercise of powers authority duly organized and existing under and pursuant to the Constitution and laws of the State of California.

WHEREAS, the Authority, together with other federal, state and local agencies, is undertaking the preliminary development and environmental review under federal and state law of certain water distribution facilities known as the Delta Habitat Conservation and Conveyance Program (the “Project”).

WHEREAS, the Authority has previously issued revenue notes (the “2009 Notes”) in the aggregate principal amount of \$50,000,000 to finance a portion of the development costs of the Project on behalf of Authority members who have executed an activity agreement with the Authority therefor.

WHEREAS, this Board has previously authorized execution of the San Luis & Delta-Mendota Water Authority Delta Habitat Conservation and Conveyance Program Activity Agreement, as amended (the “Activity Agreement”), under the terms of which the District has agreed to pay its allocated share of principal of and interest on the 2009 Notes.

WHEREAS, the District’s total obligation for principal repayment under the 2009 Notes is the sum of \$ \$1,125,923, plus outstanding debt service.

WHEREAS, the 2009 Notes mature on March 1, 2014.

WHEREAS, the Authority has determined that it is in the best interest of the Authority to issue revenue bonds (the “Bonds”) to refinance the 2009 Notes prior to maturity.

WHEREAS, the Authority has provided notice to the District of its intent to refinance and has requested that the District respond by electing to

participate in the refinancing; to meet its obligation by payment in full in cash; or to pay a portion of the obligation in cash and refinance the balance.

WHEREAS, this Board has determined that it is in the best interest of the District to pay in full by December 1, 2013, its entire allocated share of principal of the 2009 Notes, plus any outstanding debt service obligation.

NOW, THEREFORE, the Board of Directors of the San Benito County Water District hereby finds, determines, declares and resolves as follows:

SECTION 1. The Board hereby authorizes and directs the General Manager, the President or Vice President of the Board and the Secretary of the District and any other proper officer of the District, acting singly, to make arrangements for payment to the Water Authority by December 1, 2013, in cash, of the District's entire allocated share of principal of the 2009 Notes and any outstanding debt service obligation and further authorizes responding to the Authority's notice regarding refinancing or payment.

SECTION 2. The President, the Vice President, the Secretary, the General Manager, the and any other proper officer of the District, acting singly, is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

SECTION 3. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the DHCCP Activity Agreement unless the context otherwise clearly requires.

SECTION 4. This resolution shall take effect immediately.

Adopted at a regular meeting of the Board of Directors of the San Benito County Water District, this 27<sup>th</sup> day of March, 2013, by the following vote:

AYES: Tobias, Bettencourt and Tonascia

NOES: None

ABSENT: Flores and Torquato

/s/John Tobias  
John Tobias  
President

Attest:

/s/Sara Singleton  
Sara Singleton  
Assistant Manager