

**BOARD OF DIRECTORS  
SANTA CLARA VALLEY WATER DISTRICT**

**RESOLUTION NO. 24-**

**AUTHORIZING THE ISSUANCE OF WATER SYSTEM REFUNDING  
REVENUE BONDS AND NOTES AND REVENUE CERTIFICATES OF  
PARTICIPATION, AND APPROVING THE EXECUTION AND DELIVERY OF  
CERTAIN DOCUMENTS AND CERTAIN ACTS IN CONNECTION THEREWITH**

WHEREAS, the Santa Clara Valley Water District ("Valley Water"), is a water supply and flood protection special district duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, Valley Water has previously financed the planning, design, acquisition and/or construction of certain capital improvements to the water utility system of Valley Water by causing the execution and delivery of the Commercial Paper Certificates, Series A (Tax-Exempt), the Commercial Paper Certificates, Series B (Taxable), the Santa Clara Valley Water District Revolving Certificates, Series C (Tax-Exempt) (Syndicated), the Santa Clara Valley Water District Revolving Certificates, Series D (Taxable) (Syndicated), the Santa Clara Valley Water District Revolving Certificates, Series C (Tax-Exempt) (Non-Syndicated) and the Santa Clara Valley Water District Revolving Certificates, Series D (Taxable) (Non-Syndicated) (collectively, the "Outstanding ABCD Certificates") pursuant to a resolution of the Santa Clara Valley Water District Public Facilities Financing Corporation (the "Corporation"); and

WHEREAS, Valley Water has determined that it would be in the best interests of Valley Water and citizens of the community to authorize refunding bonds in one or more series (the "Refunding Bonds") pursuant to Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Bond Law") to refund all or a portion of the Commercial Paper Certificates outstanding from time-to-time; and

WHEREAS, Valley Water has previously financed the planning, design, acquisition and/or construction of certain capital improvements to the water utility system through the execution and delivery of Revenue Certificates of Participation (Water Utility System Improvement Projects), Series 2023C-1 and Taxable Series 2023D (the "Outstanding Short-Term Certificates"); and

WHEREAS, Valley Water has determined that it would be in the best interests of Valley Water and citizens of the community to authorize refunding notes in one or more series (the "Refunding Notes") pursuant to the Refunding Bond Law to refinance a portion of the Outstanding Short-Term Certificates; and

WHEREAS, the Board of Directors of Valley Water (the "Board") proposes to plan, design, acquire or construct additional water utility system capital improvements and to reimburse Valley Water for costs previously expended to plan, design, acquire or construct certain water utility system capital improvements and the Corporation has agreed to assist Valley Water; and

WHEREAS, pursuant to Assembly Bill 939, the Santa Clara Valley Water District Act (the "District Act") was amended, effective January 1, 2024, to among other purposes, allow Valley Water to issue revenue bonds pursuant to the District Act to finance the construction, reconstruction, replacement, acquisition, or improvement of any facility or facilities necessary or convenient for the beneficial use of water within Valley Water; and

WHEREAS, there is presented to the Board for consideration on the date hereof, a resolution to approve the issuance of revenue bonds in one or more series (the "Revenue Bonds") pursuant to the District Act and the Revenue Bond Law of 1941 (commencing with Section 54300 of the Government Code), as supplemented by the District Act (the "Bond Law"); and

WHEREAS, as an alternative to issuing the Revenue Bonds, Valley Water has determined that it may be in the best interests of Valley Water and citizens of the community to authorize the entry into one or more installment purchase agreements and the preparation and delivery of revenue certificates of participation in one or more series (the "Revenue Certificates") pursuant to the District Act to finance all or a portion of the planning, design, acquisition or construction of and to reimburse the costs of such water utility system capital improvements; and

WHEREAS, it is proposed that each series of Refunding Bonds, Refunding Notes and Revenue Certificates be sold in competitive sales pursuant to official notices of sale unless otherwise determined in accordance with this Resolution; and

WHEREAS, Valley Water desires to authorize the sale and delivery of the Refunding Bonds, Refunding Notes and Revenue Certificates as set forth in this Resolution, provided that the aggregate principal amount of such obligations, together with the Revenue Bonds (if authorized by this Board), shall not exceed \$450,000,000; and

WHEREAS, as to projects for which Valley Water has not yet completed its review and approval in accordance with the California Environmental Quality Act ("CEQA"), adoption of this Resolution to authorize execution of the agreements and documents referred to in this Resolution and implementation of actions necessary to accomplish the intention of this Resolution do not commit Valley Water to a definite course of action with regard to any particular project and do not limit Valley Water in exercising any discretion following CEQA review of the project, including (i) considering other feasible alternatives and mitigation measures to avoid or minimize project impacts, (ii) making modifications deemed necessary to reduce project impacts, or (iii) determining not to proceed with one or more component of a project.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Santa Clara Valley Water District does hereby find, determine, declare, and resolve as follows:

**Section 1. Authorization of Refunding Bonds.** This Board hereby authorizes the issuance, sale and delivery of one or more series of Refunding Bonds in accordance with the Refunding Bond Law and the terms and provisions of the Indenture of Trust with respect to the Refunding Bonds referred to in Section 2 below and the Water Utility Parity System Master Resolution, the interest on which may be taxable or tax-exempt. The purposes for which the proceeds of the sale of the Refunding Bonds shall be expended are to pay the Outstanding ABCD Certificates, and to pay the costs of the sale and delivery of the Refunding Bonds.

**Section 2. Refunding Bonds Documents.** The Indenture of Trust and Continuing Disclosure Agreement with respect to the Refunding Bonds, in substantially the forms on file with Valley Water, are hereby approved. The Chief Executive Officer (or any acting or interim of such position) and the Clerk of the Board or the designee of each of the foregoing (each an "Authorized Officer" and together the "Authorized Officers"), are hereby each individually authorized and directed to execute and deliver the Indenture of Trust and Continuing Disclosure Agreement with respect to the Refunding Bonds with such changes, insertions and omissions as may be approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

**Section 3. Authorization of Revenue Certificates.** As an alternative, or in addition to the issuance of the Revenue Bonds (if approved this Board), this Board hereby authorizes the execution and delivery of one or more series of Revenue Certificates, evidencing interests in installment payments to be paid by Valley Water under one or more Installment Purchase Agreements (as approved under Section 4 below pursuant to the District Act), the interest on which in each case, may be taxable or tax-exempt. The Revenue Certificates shall be executed and delivered in accordance with the terms and provisions of the Trust Agreement with respect to the Revenue Certificates referred to in Section 4 below and the Water Utility Parity System Master Resolution. Each Authorized Officer is hereby authorized to determine whether to cause the Revenue Certificates to be executed and delivered as an alternative to the Revenue Bonds (if authorized by this Board), subject to the limitations set forth in this Resolution.

The purposes for which the proceeds of the sale of the Revenue Certificates shall be expended are to finance the planning, design, acquisition and/or construction by Valley Water of certain capital improvements to the water utility system of Valley Water and to reimburse Valley Water for, and/or refinance, costs previously expended to plan, design, acquire and/or construct certain water utility system capital improvements as described in the Trust Agreement, and to pay the costs of the sale and delivery of the Revenue Certificates of Participation.

**Section 4. Revenue Certificates Documents.** The Installment Purchase Agreement, Trust Agreement and Continuing Disclosure Agreement with respect to the Revenue Certificates, in substantially the forms on file with Valley Water, are hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the foregoing documents with respect to the Revenue Certificates, with such changes, insertions and omissions as may be approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

**Section 5. Authorization of Refunding Notes.** This Board hereby authorizes the issuance, sale, and delivery of one or more series of Refunding Notes in accordance with the Refunding Bond Law and the terms and provisions of the Indenture of Trust with respect to the Refunding Notes referred to in Section 6 below and the Water Utility Parity System Master Resolution, the interest on which may be taxable or tax-exempt. The purposes for which the proceeds of the sale of the Refunding Notes shall be expended are to pay the Outstanding Short-Term Certificates, and to pay the costs of the sale and delivery of the Refunding Notes.

**Section 6. Refunding Notes Documents.** The Indenture of Trust and Continuing Disclosure Agreement with respect to the Refunding Notes, in substantially the forms on file with Valley Water, are hereby approved. Each Authorized Officer is individually authorized and

directed to execute and deliver the Indenture of Trust and Continuing Disclosure Agreement with respect to the Refunding Notes with such changes, insertions and omissions as may be approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

**Section 7. Notices of Sale.** One or more Notices of Sale relating to the Refunding Bonds, the Refunding Notes and the Revenue Certificates, in substantially the form on file with Valley Water, are hereby approved, with such changes, insertions and omissions as may be approved by an Authorized Officer or the designee thereof. Each Authorized Officer or the designee thereof is individually authorized and directed to cause to be published notices of intention to sell Refunding Bonds, the Refunding Notes or the Revenue Certificates (a) once at least five (5) days prior to the date set for receipt of bids, in a financial publication generally circulated throughout the State of California or reasonably expected to be disseminated among prospective bidders, in accordance with Section 53692 of the California Government Code, and/or (b) once at least ten (10) days prior to the date set for receipt of bids in a newspaper of general circulation circulated within the boundaries of Valley Water's service area, in accordance with Section 53583(c)(2)(A) of the California Government Code, as applicable. The Authorized Officers or the Treasury and Debt Officer, in cooperation with Public Resources Advisory Group, as Municipal Advisor, shall cause the applicable Notice of Sale to be circulated among prospective bidders.

As an alternative to competitive sales, if the Chief Executive Officer, or the designee thereof, determines to sell any of the Refunding Bonds, the Refunding Notes or the Revenue Certificates by one or more negotiated sales, each Authorized Officer is individually authorized and directed to execute and deliver one or more purchase contracts for such sales in substantially the forms approved by this Board pursuant to Resolution No. 22-105 adopted on November 8, 2022, with the underwriters to be named therein as determined by the Chief Executive Officer or the designee thereof, and with such changes, insertions and omissions as may be approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

**Section 8. Total Principal Amount Authorized.** The aggregate principal amount of the Refunding Bonds, Refunding Notes and Revenue Certificates as authorized by this Resolution, together with the Revenue Bonds (if authorized by this Board), shall not exceed \$450,000,000.

**Section 9. Payment of Outstanding ABCD Certificates and Outstanding Short-Term Certificates.** Each Authorized Officer and such other officers and staff of Valley Water are authorized and directed, acting singly, to do any and all things and to execute and deliver any and all documents which such officers may deem necessary or advisable in order to pay all or a portion of the Outstanding ABCD Certificates from a portion of the proceeds of the Refunding Bonds and to pay all or a portion of the Outstanding Short-Term Certificates from a portion of the proceeds of the Refunding Notes.

**Section 10. Trustee.** U.S. Bank Trust Company, National Association is hereby appointed to act as trustee under the Indenture of Trusts with respect to the Refunding Bonds and the Refunding Notes and under the Trust Agreement with respect to the Revenue Certificates.

**Section 11. Good Faith Estimate of Certain Costs.** The Board acknowledges that the good faith estimates of certain costs required by Section 5852.1 of the California Government Code with respect to each of the Refunding Bonds, Refunding Notes and Revenue Certificates are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

**Section 12. Other Actions.** The Authorized Officers and such other officers and staff of Valley Water are authorized and directed, acting singly, to do any and all things and to execute and deliver any and all documents which such officers may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Refunding Bonds and the Refunding Notes and the sale, execution and delivery of the Revenue Certificates, and the delivery of the documents approved by this Resolution with respect thereto, and otherwise effectuate the purposes of this Resolution, and such actions in connection therewith previously taken by such officers and staff are hereby ratified and confirmed.

**Section 13. Definitions.** Unless otherwise defined in this Resolution, all terms used by the Resolution and not otherwise defined shall have the meanings given to such terms in the Indenture of Trusts with respect to the Refunding Bonds and the Refunding Notes, or the Trust Agreement with respect to the Revenue Certificates, as applicable, unless the context otherwise clearly requires.

**Section 14. Effect.** This Resolution shall take effect immediately.

Authorizing the Issuance of Water System Refunding Revenue Bonds and Notes and Revenue  
Certificates of Participation, Approving the Execution and Delivery of Certain Documents and  
Certain Acts in Connection Therewith

Resolution No. 24-

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PASSED and ADOPTED by the Board of Directors of the Santa Clara Valley Water District by  
the following vote on January 9, 2024:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

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Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

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Clerk, Board of Directors

I hereby certify that the foregoing is a full, true and  
correct copy of the original thereof on file in my  
office.

DATED: January \_\_, 2024

*Affix Seal Here*

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MICHELE L. KING, CMC  
Clerk, Board of Directors  
Santa Clara Valley Water District