

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

RESOLUTION NO. 22-

**AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$120,000,000 SAFE CLEAN WATER
PROGRAM REFUNDING REVENUE BONDS, AUTHORIZING THE EXECUTION AND
DELIVERY OF NOT TO EXCEED \$165,000,000 INTERIM OBLIGATIONS AND REVENUE
CERTIFICATES OF PARTICIPATION, APPROVING THE EXECUTION AND DELIVERY OF
CERTAIN DOCUMENTS AND AUTHORIZING 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 Safe Clean Water and Natural Flood Protection Program (the "Safe Clean Water Program") 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") to refund the Outstanding ABCD Certificates; and

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

WHEREAS, Valley Water expects to execute and deliver a WIFIA Master Agreement and one or more Loan Agreements, each by and among the Corporation, Valley Water and the United States Environmental Protection Agency (the "2022 SCW WIFIA Loan Agreement") to provide funds for the planning, design, acquisition and construction of certain Safe Clean Water Program capital improvements of Valley Water (the "2022 SCW WIFIA Project"); and

WHEREAS, the Board has determined that it would be in the best interest of Valley Water and citizens of the community to authorize interim financing for the 2022 SCW WIFIA Project to be delivered through the Corporation, which interim financing is expected to be repaid from a draw or draws on the 2022 SCW WIFIA Loan Agreement; and

WHEREAS, Valley Water has determined that it would 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 interim obligations (the "Interim Obligations") in one or more series to finance on an interim basis, the acquisition and/or construction of, and to

Authorizing the Issuance of Not to Exceed \$120,000,000 Safe Clean Water Program Refunding Revenue Bonds, Authorizing the Execution and Delivery of Not to Exceed \$165,000,000 Interim Obligations and Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Acts in Connection Therewith Resolution No. 22-

reimburse the costs of such Safe Clean Water Program capital improvements under the 2022 SCW WIFIA Loan Agreement; and

WHEREAS, Valley Water has determined that it would 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 (the "Certificates") in one or more series to finance the planning, design, acquisition or construction of and to reimburse the costs of such Safe Clean Water Program capital improvements; and

WHEREAS, it is proposed that each series of Refunding Bonds, Interim Obligations and Certificates be sold in competitive sales pursuant to official notices of sale, in negotiated sales pursuant to purchase contracts as authorized herein or on a private placement basis as further described herein; and

WHEREAS, Valley Water has completed its environmental review for and approved some of the projects to be funded by a WIFIA loan in accordance with the California Environmental Quality Act ("CEQA"); and

WHEREAS, as to those other WIFIA-funded projects for which Valley Water has not yet completed its CEQA review or approved, adoption of this Resolution to authorize execution of the above-mentioned agreements and documents 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 an aggregate principal amount not to exceed \$120,000,000 in accordance with the terms and provisions of the Indenture of Trust with respect to the Refunding Bonds referred to in Section 2 below and the SCW Master Resolution (as defined in such Indenture of Trust), 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 Bond Indenture. The Indenture of Trust with respect to the Refunding Bonds, in substantially the form on file with Valley Water, and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Chief Executive Officer/General Manager, the Assistant Chief Executive Officer, Operations and the Chief Financial Officer (or any acting or interim of such positions) and the Clerk of the Board or the designee thereof (each an "Authorized Officer" and together the "Authorized Officers"), are hereby each individually authorized and directed to execute and deliver the Indenture of Trust 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.

Authorizing the Issuance of Not to Exceed \$120,000,000 Safe Clean Water Program Refunding Revenue Bonds, Authorizing the Execution and Delivery of Not to Exceed \$165,000,000 Interim Obligations and Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Acts in Connection Therewith Resolution No. 22-

Section 3. Authorization of Interim Obligations. This Board hereby authorizes the preparation, sale and delivery by the Corporation of one or more series of Interim Obligations in an aggregate principal amount which, when combined with the Certificates executed and delivered in accordance with Section 6 below, does not to exceed \$165,000,000 in accordance with the terms and provisions of the Trust Agreement with respect to the Interim Obligations referred to in Section 5 below and the SCW Master Resolution, the interest on which may be taxable or tax-exempt. The purposes for which the proceeds of the sale of the Interim Obligations shall be expended are to finance the planning, design, acquisition and/or construction by Valley Water of the 2022 SCW WIFIA Project and to reimburse Valley Water for, and/or refinance, costs previously expended with respect to the 2022 SCW WIFIA Project as described in the Installment Purchase Agreement(s) with respect to the Interim Obligations referred to in Section 4 below, and to pay the costs of the sale and delivery of the Interim Obligations.

Section 4. Installment Purchase Agreement-Interim Obligations. The Installment Purchase Agreement with respect to the Interim Obligations in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver one or more Installment Purchase Agreements with respect to the Interim Obligations 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. Trust Agreement-Interim Obligations. The Trust Agreement with respect to the Interim Obligations, in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Trust Agreement with respect to the Interim Obligations 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 6. Authorization of Certificates of Participation. This Board hereby authorizes the preparation, sale and delivery by the Corporation of one or more series of Certificates in an aggregate principal amount, which when combined with the Interim Obligations which may be executed and delivered in accordance with Section 3 above, does not to exceed the amount set forth in Section 3 in accordance with the terms and provisions of the Trust Agreement with respect to the Certificates referred to in Section 8 below and the SCW Master Resolution, the interest on which may be taxable or tax-exempt. The purposes for which the proceeds of the sale of the Certificates shall be expended are to finance the planning, design, acquisition and/or construction by Valley Water of certain capital improvements to the Safe Clean Water Program of Valley Water and to reimburse Valley Water for, and/or refinance, costs previously expended to plan, design, acquire and/or construct certain Safe Clean Water Program capital improvements as described in the Installment Purchase Agreement(s) with the respect to the Certificates referred to in Section 7 below, and to pay the costs of the sale and delivery of the Certificates.

Section 7. Installment Purchase Agreement-Certificates. The Installment Purchase Agreement with respect to the Certificates in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. Each Authorized Officer is individually authorized and directed to execute

and deliver one or more Installment Purchase Agreements with respect to the 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 8. Trust Agreement-Certificates. The Trust Agreement with respect to the Certificates, in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Trust Agreement with respect to the 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 9. Purchase Contracts for the Refunding Bonds. One or more Purchase Contracts relating to the Refunding Bonds by and between Valley Water and the representative of the underwriters named therein (the "Bond Purchase Contracts"), in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. If the Chief Financial Officer, or his designee, determines to sell the Refunding Bonds by negotiated sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to execute and deliver such Bond Purchase Contracts with such changes, insertions and omissions as may be approved by such Authorized Officer or the Treasury, Debt and Grants Officer executing the same, said execution being conclusive evidence of such approval.

Section 10. Purchase Contracts for the Interim Obligations. One or more Purchase Contracts relating to the Interim Obligations by and between Valley Water and the representative of the underwriters named therein (the "Interim Obligation Purchase Contracts"), in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. If the Chief Financial Officer, or his designee, determines to sell the Interim Obligations by negotiated sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to execute and deliver such Interim Obligation Purchase Contracts with such changes, insertions and omissions as may be approved by such Authorized Officer or the Treasury, Debt and Grants Officer executing the same, said execution being conclusive evidence of such approval.

Section 11. Purchase Contracts for the Certificates. One or more Purchase Contracts relating to the Certificates by and between Valley Water and the representative of the underwriters named therein (the "Certificate Purchase Contracts"), in substantially the form on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. If the Chief Financial Officer, or his designee, determines to sell the Certificates by negotiated sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to execute and deliver such Certificate Purchase Contracts with such changes, insertions and omissions as may be approved by such Authorized Officer or the Treasury, Debt and Grants Officer executing the same, said execution being conclusive evidence of such approval.

Section 12. Notices of Sale for the Refunding Bonds. One or more Notices of Sale relating to the Refunding Bonds (the "Refunding Bonds Notices of Sale"), in substantially the form on file with Valley Water and made a part hereof as though set forth in full herein, is hereby approved, with such changes, insertions and omissions as may be approved by an Authorized Officer or the Treasury, Debt and Grants Officer. If the Chief Financial Officer, or his designee, determines to sell the Refunding Bonds by competitive sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to cause to be published a notice of intention to sell the Refunding Bonds (a) once at least five (5) days prior to the date set for receipt of bids on the Refunding Bonds, in a financial publication generally circulated throughout the State of California or reasonably expected to be disseminated among prospective bidders for the Refunding Bonds, in accordance with Section 53692 of the California Government Code, and (b) once at least ten (10) days prior to the date set for receipt of bids on the Refunding Bonds 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. If the Chief Financial Officer, or his designee, determines to sell the Refunding Bonds by competitive sale, the Authorized Officers or the Treasury, Debt and Grants Officer, in cooperation with Public Resources Advisory Group (the "Municipal Advisor"), shall cause the Refunding Bonds Notices of Sale to be circulated among prospective bidders.

Section 13. Notices of Sale for the Interim Obligations. One or more Notices of Sale relating to the Interim Obligations (the "Interim Obligations Notices of Sale"), in substantially the form on file with Valley Water and made a part hereof as though set forth in full herein, is hereby approved, with such changes, insertions and omissions as may be approved by an Authorized Officer or the Treasury, Debt and Grants Officer. If the Chief Financial Officer determines to sell the Interim Obligations by competitive sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to cause to be published a notice of intention to sell the Interim Obligations once at least five (5) days prior to the date set for receipt of bids on the Interim Obligations, in a financial publication generally circulated throughout the State of California or reasonably expected to be disseminated among prospective bidders for the Interim Obligations, in accordance with Section 53692 of the California Government Code. If the Chief Financial Officer, or his designee, determines to sell the Interim Obligations by competitive sale, the Authorized Officers or the Treasury, Debt and Grants Officer, in cooperation with the Municipal Advisor, shall cause the Interim Obligations Notices of Sale to be circulated among prospective bidders.

Section 14. Notices of Sale for the Certificates. One or more Notices of Sale relating to the Certificates (the "Certificates Notices of Sale"), in substantially the form of the Interim Obligations Notices of Sale as such form may be revised to add or to reflect the series of Certificates to be sold, is hereby approved, with such changes, insertions and omissions as may be approved by an Authorized Officer or the Treasury, Debt and Grants Officer. If the Chief Financial Officer determines to sell the Certificates by competitive sale, each Authorized Officer or the Treasury, Debt and Grants Officer is individually authorized and directed to cause to be published a notice of intention to sell the Certificates once at least five (5) days prior to the date set for receipt of bids on the Certificates, in a financial publication generally circulated throughout the State of California or reasonably expected to be disseminated among prospective bidders for the Certificates, in accordance with Section 53692 of the California Government Code. If the Chief Financial Officer, or his designee, determines to sell the Certificates by competitive sale, the Authorized Officers or the Treasury, Debt and Grants Officer, in cooperation with the Municipal Advisor, shall cause the Certificates Notices of Sale to be circulated among prospective bidders.

Authorizing the Issuance of Not to Exceed \$120,000,000 Safe Clean Water Program Refunding Revenue Bonds, Authorizing the Execution and Delivery of Not to Exceed \$165,000,000 Interim Obligations and Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Acts in Connection Therewith Resolution No. 22-

Section 15. Preliminary Official Statement and Official Statement. The preparation and distribution of one or more the Preliminary Official Statements relating to the Refunding Bonds, the Interim Obligations and/or the Certificates in substantially the form of the Preliminary Official Statement on file with Valley Water, is hereby approved. Each Authorized Officer is individually authorized to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to each Preliminary Official Statement, and, in the case of a competitive sale, to approve the release of the preliminary official statement to prospective purchasers of the Refunding Bonds, the Interim Obligations and/or the Certificates. The underwriters, in the case of a negotiated sale, for the Refunding Bonds, the Interim Obligations and/or the Certificates are hereby authorized to distribute copies of said Preliminary Official Statement(s) to persons who may be interested in the initial purchase of the Refunding Bonds, the Interim Obligations and/or the Certificates. Each Authorized Officer is individually authorized and directed to execute, approve and deliver an Official Statement in the form of each Preliminary Official Statement which, upon execution as authorized below, are made a part hereof as though set forth in full herein, 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, and are directed to deliver copies of any final Official Statement(s) to all actual initial purchasers of the Refunding Bonds, the Interim Obligations and/or the Certificates.

Section 16. Continuing Disclosure Agreements. One or more Continuing Disclosure Agreements relating to the Refunding Bonds, Interim Obligations and/or the Certificates in substantially the forms on file with Valley Water and, upon execution as authorized below, made a part hereof as though set forth in full herein, are hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Continuing Disclosure Agreements 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 17. Payment of Outstanding ABCD 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/or the Interim Obligations.

Section 18. Private Placement of Interim Obligations. As an alternative to the competitive sale or negotiated sale of the Interim Obligations authorized in Sections 10 and 13 above, the Interim Obligations may be sold through private placement so long as the Chief Financial Officer determines that the overall cost of a private placement is less than the cost of a competitive or negotiated sale. In such event, each Authorized Officer is authorized to execute and deliver any private placement agreement and any disclosure document determined by the Chief Financial Officer to be necessary or desirable to effect such private placement and to engage a placement agent.

Section 19. Trustee. U.S. Bank Trust Company, National Association, San Francisco, California is hereby appointed to act as trustee under the Indenture of Trust with respect to the Refunding Bonds and under the Trust Agreements with respect to the Certificates and the Interim Obligations.

Authorizing the Issuance of Not to Exceed \$120,000,000 Safe Clean Water Program Refunding Revenue Bonds, Authorizing the Execution and Delivery of Not to Exceed \$165,000,000 Interim Obligations and Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Acts in Connection Therewith Resolution No. 22-

Section 20. 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, the Interim Obligations and/or the Certificates are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

Section 21. 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 sale, execution and delivery of the Interim Obligations and the Certificates, and the delivery of the Indenture of Trust with respect to the Refunding Bonds, the Installment Purchase Agreement with respect to the Interim Obligations, the Trust Agreement with respect to the Interim Obligations, the Installment Purchase Agreement with respect to the Certificates, the Trust Agreement with respect to the Certificates, the Continuing Disclosure Agreements, the Bond Purchase Contracts, the Interim Obligation Purchase Contracts, the Certificate Purchase Contracts, the Refunding Bonds Notices of Sale, the Interim Obligations Notices of Sale, the Certificates Notices of Sale, the Preliminary Official Statement(s) and the Official Statement(s), 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. The Authorized Officers and such other officers and staff of Valley Water are further authorized and directed, acting singly, to revise and combine the Refunding Bonds Notices of Sale, the Interim Obligations Notices of Sale and the Certificates Notices of Sale in order to sell the Refunding Bonds, the Certificates and/or the Interim Obligations together under one or more notices of sale.

Section 22. Definitions. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture of Trust with respect to the Refunding Bonds, or the Trust Agreements with respect to the Interim Obligations and the Certificates, as applicable, unless the context otherwise clearly requires.

Section 23. Effect. This Resolution shall take effect immediately.

Authorizing the Issuance of Not to Exceed \$120,000,000 Safe Clean Water Program Refunding Revenue Bonds, Authorizing the Execution and Delivery of Not to Exceed \$165,000,000 Interim Obligations and Revenue Certificates of Participation, Approving the Execution and Delivery of Certain Documents and Authorizing Certain Acts in Connection Therewith Resolution No. 22-

PASSED and ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 8, 2022:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

Affix Seal Here

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

DATED: November 8, 2022

MICHELE L. KING, CMC
Clerk, Board of Directors