

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

RESOLUTION NO. 17-

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY WATER DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$65,000,000 WATER SYSTEM REFUNDING REVENUE BONDS, SERIES 2017A, APPROVING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTS IN CONNECTION THEREWITH

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

WHEREAS, the District has previously financed the acquisition of certain capital improvements to the water utility system equipment and facilities of the District by causing the execution and delivery of the Revenue Certificates of Participation (Water Utility System Improvement Projects) Series 2007A (the "2007A Certificates");

WHEREAS, the District has determined that it would be in the best interests of the District and citizens of the community to authorize refunding bonds in one or more series (the "Refunding Bonds") to refund all or a portion of the 2007A Certificates;

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 \$65,000,000 in accordance with the terms and provisions of the Indenture of Trust referred to in Section 2 below; provided however that in no event shall the true interest cost of the Refunding Bonds exceed 5.00% per annum. The purposes for which the proceeds of the sale of the Refunding Bonds shall be expended are to refund all or a portion of the 2007A Certificates, and to pay the costs of the sale and delivery of the Refunding Bonds.

The Chief Operating Officer – Administration, the Chief Financial Officer and the Treasury/Debt Officer are hereby authorized and directed to award the sale of the Refunding Bonds to the bidder with the lowest true interest cost. The Chief Operating Officer – Administration, the Chief Financial Officer and the Treasury/Debt Officer may accept or reject all or any portion of bids received on the Refunding Bonds in order to accomplish the goals of the District as set forth herein.

Section 2. Indenture. The Indenture of Trust with respect to the Refunding Bonds, in substantially the form on file with the District, and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Chief Executive Officer, the Chief Operating Officer – Administration, 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 such changes, insertions and omissions as may be approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

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Section 3. Notice of Intention to Sell Securities. The Authorized Officers, in cooperation with Bond Counsel and Public Resources Advisory Group, the District's Municipal Advisor, are each hereby authorized and directed, pursuant to Section 53692 of the California Government Code, to cause to be published the Notice of Intention to Sell Securities 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 securities. The Authorized Officers, in cooperation with the District's Municipal Advisor, shall cause the Official Notice of Sale (the "Notice of Sale"), in substantially the form on file with the District, which form is hereby approved, to be circulated among prospective bidders.

Section 4. Preliminary Official Statement and Official Statement. The preparation and distribution of the Preliminary Official Statement relating to the Refunding Bonds in substantially the form on file with the District, 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 the Preliminary Official Statement and each Authorized Officer is individually authorized and directed to execute, approve and deliver the Official Statement in the form of the 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. The underwriter for the Refunding Bonds is hereby authorized to distribute copies of said Preliminary Official Statement to persons who may be interested in the initial purchase of the Refunding Bonds and are directed to deliver copies of any final Official Statement to all actual initial purchasers of the Refunding Bonds.

Section 5. Continuing Disclosure Agreement. The Continuing Disclosure Agreement relating to the Refunding Bonds in substantially the form on file with the District 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 Continuing Disclosure Agreement 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. Escrow Agreement. The Escrow Agreement (2007A Certificates) relating to the refunded 2007A Certificates (the "Escrow Agreement"), in substantially the form on file with the District 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 Escrow Agreement 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. Trustee. U.S. Bank National Association, San Francisco, California is hereby appointed to act as trustee under the Indenture of Trust with respect to the Refunding Bonds.

Section 8. Debt Management Policy. The Debt Management Policy of the District (the "Debt Management Policy") is on file with the District. In accordance with California Government Code Section 8855(i), the Board hereby delegates and authorizes the Authorized

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Officers to approve any amendments to the Debt Management Policy from time to time as such Authorized Officers deem necessary.

Section 9. Other Actions. The Authorized Officers and such other officers and staff of the District 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 sale and delivery of the Refunding Bonds, and the delivery of the Indenture of Trust, the Continuing Disclosure Agreement, the Preliminary Official Statement and the Official Statement, the Escrow Agreement, 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 10. 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, unless the context otherwise clearly requires.

Section 11. Effect. This resolution shall take effect immediately.

PASSED and ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on the 14th day of March, 2017.

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

ABSTAIN: Directors:

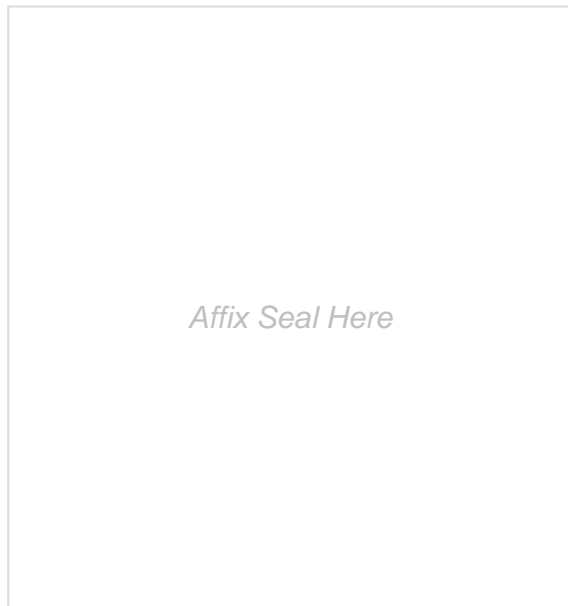
SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

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

DATED: March 14, 2017

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