

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

RESOLUTION 8470

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
AMENDING AND RESTATING THE DEFINITION OF
OPERATING REVENUES
(FIRST SUPPLEMENTAL RESOLUTION)

WHEREAS, pursuant to the Act (as defined in the hereinafter defined Short-Term Revenue Certificate Resolution), the Board of Directors of The Metropolitan Water District of Southern California (the "District") may authorize the issuance of short-term revenue certificates and revolving notes for any purpose permitted under the Act;

WHEREAS, pursuant to Resolution 8322 adopted by the District on May 14, 1991 (the "Short-Term Revenue Certificate Resolution"), the District has heretofore authorized the issuance of Commercial Paper Notes and Revolving Notes (each as defined in the Short-Term Revenue Certificate Resolution) on behalf of the District with the payment of the principal of and interest thereon being secured by and payable from Net Operating Revenues (as defined in the Short-Term Revenue Certificate Resolution);

WHEREAS, pursuant to the Short-Term Revenue Certificate Resolution, the District has issued and there are currently outstanding, \$60,000,000 aggregate principal amount of the District's Commercial Paper Notes and there are no issued and outstanding Revolving Notes;

WHEREAS, pursuant to Section 7.01(3) of the Short-Term Revenue Certificate Resolution, the Short-Term Revenue Certificate Resolution may be amended by a supplemental resolution adopted by the Board of Directors of the District without the consent of Holders of the Notes (each as defined in the Short-Term Revenue Certificate Resolution) to make changes in the provisions thereof as the District may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Commercial Paper Notes;

WHEREAS, the District has adopted a resolution today authorizing the adoption and implementation of a revenue structure which includes certain additional charges not previously authorized by the District;

WHEREAS, the District deems it desirable and in the public interest to, among other things, clarify that the definition of Operating Revenues contained in the Short-Term Revenue Certificate Resolution and for all other purposes includes the aforementioned additional charges, together with any other fees, rates and charges authorized by the District;

NOW, THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California, DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1.01 First Supplemental Resolution. This First Supplemental Resolution is adopted in accordance with the provisions of the Short-Term Revenue Certificate Resolution.

Section 1.02 Amendment of the Short-Term Revenue Certificate Resolution. Pursuant to Section 7.01(3) of the Short-Term Revenue Certificate Resolution, the definitions of "Director of Finance" and "Operating Revenues" set forth in Section 1.01 of the Short-Term Revenue Certificate is hereby amended and restated to read as follows:

"Director of Finance" means the Chief Financial Officer of the District.

"Operating Revenues" means all revenues received by the District from charges for the sale and availability of water, including, without limitation, the District's water rates, readiness-to-service charge, standby charge, new demand charge, connection maintenance charge and treated water peaking charge.

Section 1.03 Short-Term Revenue Certificate Resolution. The Short-Term Revenue Certificate Resolution, as amended and supplemented by this First Supplemental Resolution, is in all respects ratified and approved.

Section 1.04 Severability of Invalid Provisions. If any one or more of the provisions contained in this First Supplemental Resolution shall be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this First Supplemental Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this First Supplemental Resolution, and this First Supplemental Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District hereby declares that it would have adopted this First Supplemental Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this First Supplemental Resolution may be held illegal, invalid or unenforceable.

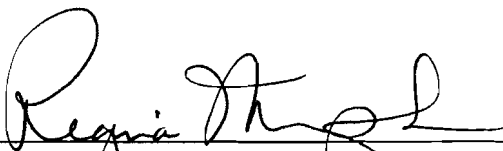
Section 1.05 Further Actions. The General Manager and the General Counsel are hereby authorized to do all things necessary and desirable to accomplish the purposes of this First Supplemental Resolution including, without limitation, the commencement or defense of litigation.

Section 1.06 Section Headings and References; Interpretation. The headings or titles of the several Sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this First Supplemental Resolution.

The words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this First Supplemental Resolution as a whole and not to any particular section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 1.07 Governing Law. This First Supplemental Resolution shall be construed and governed in accordance with the laws of the State of California.

I HEREBY CERTIFY, that the foregoing resolution was adopted by a two-thirds vote of the Board of Directors of The Metropolitan Water District of Southern California on March 14, 1995.


Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California