

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

RESOLUTION 9201

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
AUTHORIZING THE SALE AND ISSUANCE FROM TIME TO TIME
OF UP TO \$400 MILLION OF SHORT-TERM REVENUE CERTIFICATES
AND PROVIDING FOR CREDIT FACILITIES AND TRUST AGREEMENTS
(SHORT-TERM CERTIFICATES RESOLUTION)**

**THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA**

RESOLUTION 9201

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
AUTHORIZING THE SALE AND ISSUANCE FROM TIME TO TIME OF
UP TO \$400 MILLION OF SHORT-TERM REVENUE CERTIFICATES
AND PROVIDING FOR CREDIT FACILITIES AND TRUST AGREEMENTS
(SHORT-TERM CERTIFICATES RESOLUTION)**

WHEREAS, pursuant to the Act (as defined herein), the Board of Directors of The Metropolitan Water District of Southern California (the “District”) is authorized to provide for the issuance of short-term revenue certificates for any purpose permitted under the Act; and

NOW, THEREFORE, the Board of Directors of the District, DOES HEREBY RESOLVE, DETERMINE AND ORDER, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. **Definitions.** Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and the plural forms of any of the terms herein defined.

“Ad Hoc Committee” has the meaning ascribed to such term in Section 4.01 hereof.

“Board” means the Board of Directors of the District.

“Bonds” has the meaning given that term in the Senior Debt Resolution.

“Certificates” has the meaning ascribed to such term in Section 2.01 hereof (which includes Refunding Certificates) and shall include, as provided in Section 2.01, any form that the District determines, including (without limitation), notes, bonds or any other form indebtedness.

“Credit Facility” means a credit facility, credit agreement, revolving credit agreement, note purchase agreement, bond purchase agreement, bondholder’s agreement or similar instrument or agreement with one or more banks or financial institutions pursuant to which such banks or financial institutions commit to purchase Certificates (including without limitation

Refunding Certificates) from time to time and provides for such other terms and conditions as approved pursuant to this Resolution.

“Fourth Supplemental Resolution” means Resolution 8387 adopted by the Board on January 12, 1993.

“Net Operating Revenues” has the meaning given such term in the Senior Debt Resolution.

“Nineteenth Supplemental Resolution” means Resolution 9104 adopted by the Board on December 8, 2009.

“Operation and Maintenance Expenditure” has the meaning given such term in the Senior Debt Resolution.

“Outstanding” has the meaning given such term in the Senior Debt Resolution.

“Parity Obligations” has the meaning given such term in the Senior Debt Resolution.

“Paying Agent” means the paying agent appointed pursuant to the Trust Agreement relating to any Certificates.

“Refunding Certificates” means any Certificates issued for the purpose of refunding or refinancing the Certificates, or providing for, the payment of principal, interest or any other obligation of the District under the Certificates and any Credit Facility.

This “Resolution” means this resolution of the District.

“Senior Debt Resolution” means Resolution 8329 adopted by the District on July 9, 1991, as amended and supplemented from time to time.

“Series” means, whenever used herein with respect to Certificates, all of the Certificates designated as being of the same series under the terms of the related Credit Facility.

“Trust Agreement” means any trust agreement, paying agent agreement or such other instrument or instrument executed and delivered in connection with the issuance of any Certificates which sets forth terms and conditions of the Certificates and which appoints a Paying Agent in respect of any Certificates.

ARTICLE II

THE CERTIFICATES AND CREDIT FACILITIES

SECTION 2.01. Approval of Certificates and Credit Facilities.

(a) The District is hereby authorized to issue “The Metropolitan Water District of Southern California Short-Term Revenue Certificates” (the “Certificates”) in one or more Series for one or any combination of the following purposes: (i) to pay or finance the

payment of any Operation and Maintenance Expenditure and any other expenditure that the Board has authorized, (ii) to pay or finance the payment of any expenditure that the District is obligated by law to spend, (iii) to finance the replenishment of the District's reserves, (iv) to finance the construction of any project the Board has authorized the District to construct or finance, (v) and to refund or refinance the Certificates, or to provide for the payment of principal, interest or any other obligation of the District under the Certificates and any Credit Facility. The District is hereby authorized to issue the Certificates in the form of notes, bonds and any other form of indebtedness as determined and approved by the Ad Hoc Committee pursuant to Article IV. The District is hereby authorized to issue the Certificates on the terms and conditions set forth in this Resolution; provided, however, that any such issuance shall satisfy the following conditions:

(i) The aggregate principal amount of all Certificates Outstanding at any time shall not exceed \$400,000,000;

(ii) The Certificates shall bear interest at the rates determined by the Ad Hoc Committee in Article IV; provided, however, the Certificates shall not bear interest at an interest rate in excess of the maximum rate permitted by law; and

(iii) Except for Refunding Certificates, each issuance of Certificates shall not mature later than one year following the date of their issuance.

(b) The District is hereby authorized to negotiate, execute and deliver one or more Credit Facilities and one or more Trust Agreements on the terms and conditions set forth in this Resolution.

ARTICLE III SECURITY AND PAYMENT OF CERTIFICATES

SECTION 3.01. Security and Source of Payment of Certificates. The obligations of the District under the Certificates, the Credit Facilities and Trust Agreements shall be payable from and secured by Net Operating Revenues on the terms and conditions, and with the priority, set forth in the Certificates, the Credit Facilities and Trust Agreements and authorized by the Ad Hoc Committee in Article IV, which may include (without limitation) securing such obligations as Parity Obligations or obligations that are subordinate to Parity Obligations.

SECTION 3.02. Establishment and Application of Funds and Accounts. The District shall establish, and the Treasurer of the District shall maintain, such funds and/or accounts with respect to the Certificates, Credit Facilities and Trust Agreements as may be required pursuant to the terms of such Certificates, Credit Facilities and Trust Agreements.

ARTICLE IV

AD HOC COMMITTEE

SECTION 4.01. **Ad Hoc Committee.** The Chairman of the Board, or in the event of a vacancy, the Acting Chairman of the Board; the Chairman of the Finance and Insurance Committee of the Board (or if the Finance and Insurance Committee is renamed, dissolved, or reorganized, such other committee of the Board which shall have substantially all of the duties of the Finance and Insurance Committee before such renaming, dissolution, or reorganization); or in the event of a vacancy, the Vice Chairman or Acting Chairman of the Finance and Insurance Committee of the Board (or if the Finance and Insurance Committee is renamed, dissolved, or reorganized, such other committee of the Board which shall have substantially all of the duties of the Finance and Insurance Committee before such renaming, dissolution, or reorganization); and the General Manager or his or her designee, or in the event of a vacancy, the Acting General Manager or his or her designee, acting jointly; are hereby constituted an ad hoc committee (the “Ad Hoc Committee”).

SECTION 4.02. **Approval of each Series of Certificates.** Subject to the limitations contained in Section 2.01 herein, the Ad Hoc Committee or its designee is authorized and directed to determine, establish and approve on behalf of the District the aggregate principal amount of each Series of Certificates (including, without limitation, Refunding Certificates), the terms and conditions of, and the execution and delivery of, each Series of Certificates, including, without limitation, each of the following:

- (a) The form of the Certificates, which may include, without limitation, the form of notes or any other form of indebtedness;
- (b) The method of calculating interest on the Certificates;
- (c) The manner of sale of the Certificates (which may be private and negotiated);
- (d) The security and source of payment of the Certificates, as provided in Section 3.01; and
- (e) The maturity of the Certificates.

SECTION 4.03. **Approval of Credit Facilities.** The Ad Hoc Committee or its designee is authorized and directed to determine, establish and approve on behalf of the District the terms and conditions of, and the execution and delivery of, one or more Credit Facilities for each Series of Certificates, including, but not limited to, any fees and charges, interest rates, covenants, events of default and events of termination. The Ad Hoc Committee or its designee may approve and the District may execute and deliver any Credit Facility separately and independently from the issuance of any Certificates authorized under this Resolution. The Ad Hoc Committee is hereby authorized to determine whether and under what terms and conditions the Certificates and any other Parity Obligations are deemed to be “Outstanding” within the meaning of the Senior Debt Resolution.

SECTION 4.04. Approval of Trust Agreements. The Ad Hoc Committee or its designee is authorized and directed to determine, establish and approve on behalf of the District the terms and conditions of, and the execution and delivery of, one or more Trust Agreements with respect to any Certificates, including, but not limited to, any fees and charges, interest rates, covenants, events of default and events of termination. The Ad Hoc Committee or its designee may approve and the District may execute and deliver any Trust Agreement separately and independently from the issuance of any Certificates authorized under this Resolution.

SECTION 4.05. Approval of Ad Hoc Committee. The determination, establishment or approval by the majority of members of the Ad Hoc Committee shall constitute the determination, establishment and approval of the Ad Hoc Committee pursuant to this Article IV.

SECTION 4.06. Further Action. The Chairman of the Board, the General Manager and Chief Financial Officer of the District be and each of them is hereby authorized, empowered and directed to execute such other documents in addition to those enumerated herein and take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Resolution.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. Severability of Invalid Provisions. If any one or more of the provisions contained in this Resolution shall for any reason 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 Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution, and this 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 Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Certificates, Credit Facilities and Trust Agreements pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

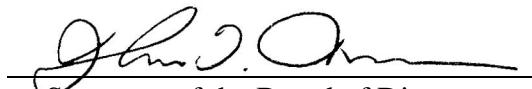
SECTION 5.02. Article and Section Headings and References; Interpretation. The headings or titles of the several Articles and Sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Resolution.

All references herein to “Article,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

SECTION 5.03. **Refunding of Certificates.** The Board hereby determines that the refunding, refinancing, payment and/or satisfaction of the Certificates, Credit Facilities and Trust Agreements are authorized purposes for the issuance of Bonds under the Fourth Supplemental Resolution and the Nineteenth Supplemental Resolution, and hereby authorizes the District to issue Bonds for such purposes under the terms and conditions of the Fourth Supplemental Resolution and Nineteenth Supplemental Resolution, as applicable.

SECTION 5.04. **Governing Law.** This Resolution shall be construed and governed in accordance with the laws of the State of California.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the affirmative votes of members representing more than 50 percent of the total number of votes of all members of the Board of Directors of The Metropolitan Water District of Southern California at its meeting held on March 8, 2016.



John J. O'Malley
Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California