THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA

RESOLUTION 9213

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
PERTAINING TO THE REIMBURSEMENT FROM BOND PROCEEDS
OF CAPITAL EXPENDITURES FOR THE PURCHASE OF THE DELTA ISLANDS AND
ACQUISITION COSTS, AND COSTS OF ISSUANCE OF DEBT

WHEREAS, The Metropolitan Water District of Southern California ("Metropolitan") purchased lands located in San Joaquin, Contra Costa, and Solano counties within the Sacramento-San Joaquin River Delta ("Delta Islands") with cash reserves ("Cash Reserves") on July 18, 2016;

WHEREAS, Metropolitan expects to issue up to $196 million in taxable debt to reimburse its Cash Reserves for the purchase price and costs of acquisition of the Delta Islands (the "Taxable Debt"), and for costs of debt issuance;

WHEREAS, Metropolitan reasonably expects that it may refund some or all of the Taxable Debt with Tax-Exempt Debt (the "Tax-Exempt Debt" and, together with the Taxable Debt, the "Debt");

WHEREAS, Metropolitan expects that the maximum principal amount of Taxable Debt, which will be issued to pay the costs of acquiring the Delta Islands, the related acquisition costs and the costs of Debt issuance, will not exceed $196 million;

WHEREAS, Metropolitan expects that the maximum principal amount of Tax-Exempt Debt which will be issued to refund the Taxable Debt (and related issuance costs) will not exceed the outstanding amount of Taxable Debt at the time of the refunding plus the amounts necessary to pay any accrued interest on the Taxable Debt and to pay costs of issuance;

WHEREAS, at the time of the issuance of the Taxable Debt to reimburse the Cash Reserves, Metropolitan will evidence such reimbursement in a writing which identifies the allocation of the proceeds of the Taxable Debt to Metropolitan for the purpose of reimbursing Metropolitan for the costs of acquiring the Delta Islands;

WHEREAS, Metropolitan expects to make one or more reimbursement allocations no later than eighteen (18) months after the later of (i) the date on which the earliest original expenditure for the acquisition of the Delta Islands to be reimbursed is paid or (ii) the date on which the Delta Islands, or a portion thereof, are used for a governmental purpose (or abandoned), but in no event later than three (3) years after the date on which the earliest original expenditure for the Delta Islands to be reimbursed is paid;

WHEREAS, Metropolitan will not, within one (1) year of any reimbursement allocation, use the proceeds of the Debt received in connection with the reimbursement in a manner that will result in the creation of replacement proceeds of the Tax-Exempt Debt or another tax-exempt issue (e.g., Metropolitan will not pledge or use the proceeds received for the payment of debt service on the Tax-Exempt Debt or another tax-exempt issue, except that the proceeds of the Debt can be deposited in a bona fide debt service fund); and

WHEREAS, this Resolution is intended to be a "declaration of official intent" in accordance with Section 1.150-2 of the U.S Treasury Regulations.

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

Section 1. That in accordance with Section 1.150-2 of the U.S. Treasury Regulations, Metropolitan hereby declares its intention to issue Debt in a principal amount not to exceed $196 million, the proceeds of which will be used to pay for the costs of acquiring the Delta Islands (and pay related Debt issuance costs), including the reimbursement to Metropolitan for certain capital expenditures relating to the acquisition made prior to the issuance of the Debt.

Section 2. This declaration of intent does not bind Metropolitan to make any expenditure, nor incur any indebtedness, or proceed with the issuance of any Debt.

I HEREBY CERTIFY, that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held September 13, 2016.

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