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Director, Division 4

**John R. Mundy**  
General Manager

**Wayne K. Lemieux**  
Counsel

**HEADQUARTERS**

4232 Las Virgenes Road  
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**MEMBER AGENCY OF THE  
METROPOLITAN WATER  
DISTRICT  
OF SOUTHERN CALIFORNIA**

November 20, 2009

REVISION 2

Call and Notice of a Meeting of the Calleguas-Las Virgenes  
Public Financing Authority Board of Directors

A Meeting of the Calleguas- Las Virgenes Public Financing Authority is hereby called and notice of said Meeting is hereby given for 5:00 p.m. on Tuesday, November 24, 2009 at Las Virgenes Municipal Water District, 4232 Las Virgenes Road, Calabasas, California 91302, to consider the following:

1. CALL TO ORDER AND ROLL CALL
2. MINUTES: CALLEGUAS-LAS VIRGENES PUBLIC FINANCING AUTHORITY
  - June 17, 2009
3. PUBLIC FORUM
4. OLD BUSINESS
5. NEW BUSINESS
  - Las Virgenes Municipal Water District Bond Refinance Public Financing Authority Resolution No. 9
  - Motion to Appoint Counsel for the Authority
6. OTHER BUSINESS
7. FUTURE AGENDA ITEMS
8. ADJOURNMENT

By Order of the Board of Directors  
JEFFERY SMITH, PRESIDENT

Linda Casey Hadlow  
Deputy Clerk of the Board  
Las Virgenes Municipal Water District

c: Each Director

## MINUTES

### ANNUAL MEETING OF THE BOARD OF DIRECTORS

#### CALLEGUAS - LAS VIRGENES MUNICIPAL WATER DISTRICT PUBLIC FINANCING AUTHORITY Annual Joint Meeting

June 17<sup>th</sup>, 2009

The Annual Meeting of the Board of Directors of Calleguas - Las Virgenes Municipal Water District Public Financing Authority was held at Calleguas Municipal Water District, 2100 Olsen Road, Thousand Oaks, California 91360 at 6:00 p.m. on Wednesday, June 17<sup>th</sup>, 2009.

#### CALL TO ORDER

The meeting was called to order by President Gail L. Pringle at 6:00 p.m. The following members were present:

Members Present:	Charlie Caspary; Ted Grandsen; Glen Peterson; William R. Seaver; Donald G. Hauser; Lee Renger; Scott H. Quady; Jeff Smith; Gail L. Pringle
Member Absent:	Joseph Bowman
Legal Counsel Present:	Douglas Kulper; Wayne Lemieux
Staff Present:	Donald R. Kendall; John Mundy; Sandra Schmidt; Sue Taylor; Allyson Levin; Alida Inouye

#### SPECIAL BUSINESS

1. President Pringle announced that the election of officers would take place at this time. Director Peterson moved, seconded by Director Caspary, that Director Smith be nominated for President. Motion carried. President Pringle handed the gavel over to Director Smith. Director Grandsen moved, seconded by

Director Peterson, that Director Hauser be Vice President. Motion carried. Director Caspary moved, seconded by Director Peterson, that Director Renger be Secretary. Motion carried.

Las Virgenes Legal Counsel Lemieux informed the Board that in the past he and Calleguas' Legal Counsel had rotated as the Public Financing Authority's legal counsel every two years. Calleguas' Legal Counsel Kulper had acted as the Public Financing Authority's legal counsel the past two years. Mr. Lemieux informed the Board that he had discussed the Legal Counsel position with Mr. Kulper, and because most of the recent financing activity related to Calleguas, they recommended that Mr. Kulper continue with that responsibility until such time the Board decided otherwise. The Board concurred with their recommendation.

The Board discussed the Joint Exercise of Power Agreement for the Public Financing Authority and it noted that the Treasurer of Calleguas is obligated to be Treasurer of the Public Financing Authority. Director Seaver moved, seconded by Director Peterson, that Director Pringle be Treasurer of the Public Financing Authority. Motion carried. The next election would take place at the annual meeting in 2011.

President Smith led the Pledge of Allegiance.

#### MINUTES

Director Peterson moved, seconded by Director Pringle, that the minutes of the Calleguas-Las Virgenes Municipal Water District Public Financing Authority for May 14<sup>th</sup>, 2008, be approved. Motion carried.

#### PUBLIC FORUM/ORAL COMMUNICATION

NONE

#### OLD BUSINESS

1. Sandra Schmidt, Director of Finance and Administration for Las Virgenes Municipal Water District, gave a report on the status of funds for Las Virgenes Municipal Water District and noted a bond maturity date of November 2010 and commented that discussions were taking place regarding retiring these bonds. Donald Kendall, General Manager for Calleguas Municipal Water District, gave a report on the status of funds for Calleguas.

#### NEW BUSINESS

NONE

#### COUNSEL'S REPORT

NONE

OTHER BUSINESS

NONE

FUTURE AGENDA ITEMS

NONE

ADJOURNMENT

President Smith declared the meeting adjourned at 6:10 p.m.

Respectfully submitted,

---

Lee Renger, Secretary

## **November 24, 2009 Board Meeting**

**TO:** Board of Directors of the Calleguas-Las Virgenes Public Financing Authority

**FROM:** Las Virgenes Municipal Water District

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**Subject** Approval of Resolution 9 to Authorize and Proceed with Bond Refinancing

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### **SUMMARY**

In connection with the (i) financing of water systems (the "Water Systems") and sanitation system (the "Sanitation System", and together with the Water Systems, the "Systems") of Las Virgenes Municipal Water District (the "District") and (ii) refinancing of the Calleguas-Las Virgenes Public Financing Authority (the "Authority") 1998 Installment Purchase Refunding Revenue Bonds (Las Virgenes Municipal Water District) (the "1998 Bonds") issued in the aggregate principal amount of \$56,290,000, the Board of Directors (the "Board") of the Authority is requested to approve Resolution 9, pursuant to which the Board take the following actions:

1. Makes certain findings in connection with financing and refinancing the Systems, including a determination that it is in its best interest of the Authority at this time for the Authority to enter into a new Installment Purchase Contract with respect to the Sanitation System (the "2009 Installment Purchase Contract") in order to enable the prepayment of the outstanding principal amounts payable under the 1998 Installment Purchase Contract entered into in connection with the 1998 Bonds (the "1998 Installment Purchase Contract") and to cause the redemption of the outstanding principal amount of the 1998 Bonds with, among other available moneys of the District, a portion of the proceeds of the Authority's 2009 Sanitation System Refunding Revenue Bonds (Las Virgenes Municipal Water District) issued in an aggregate principal amount not to exceed \$33,000,000 (the "2009 Bonds");
2. Authorizes the issuance of the 2009 Bonds subject to the following parameters:
  - a. the 2009 Bonds are to be issued for the purpose of refunding the 1998 Bonds, providing for the funding of a debt service reserve fund with respect to the 2009 Bonds and paying the costs incidental to such refunding and to the issuance of the 2009 Bonds;
  - b. the maximum principal amount of the 2009 Bonds shall not exceed \$33,000,000;
  - c. the maximum term for which any of the 2009 Bonds shall not extend beyond November 1, 2023;
  - d. the maximum true interest cost, as calculated by Fieldman, Rolapp & Associates, financial advisor to the District, to be incurred through the issuance of the 2009 Bonds, shall be 4.5%; and

- e. the resulting net present value savings from refunding the 1998 Bonds, as calculated by Fieldman, Rolapp & Associates, shall be not less than such minimum savings amount determined by the District's authorized representative with the assistance of Fieldman, Rolapp & Associates in compliance with the District's financial policies.
3. Selects Stone & Youngberg LLP (the "Underwriter") as the underwriting firm for the sale of the 2009 Bonds.
4. Authorizes and directs certain authorized representatives of the Authority to execute and deliver:
  - a. An Indenture between the Authority and a trustee to be appointed pursuant to the Resolution, with respect to the 2009 Bonds;
  - b. The 2009 Installment Purchase Contract with the District with respect to the Sanitation System;
  - c. An Escrow Agreement among the Authority, the District and an escrow bank to be appointed pursuant to the Resolution for the purposes of defeasing the 1998 Bonds; and
  - d. A Bond Purchase Agreement among the Authority, the District and the Underwriter, for the negotiated sale of the 2009 Bonds. The aggregate Underwriter's discount under the Bond Purchase Agreement for the 2009 Bonds shall not exceed 0.6% (exclusive of original issue discount) of the principal amount of the 2009 Bonds.
5. Approves a Preliminary Official Statement of the Authority and the District relating to the 2009 Bonds and authorizes and directs authorized representatives of the Authority to execute and deliver a final Official Statement of the Authority and the District relating to the 2009 Bonds.
6. Authorizes and directs authorized representatives of the Authority to redeem all or a portion of the 1998 Bonds from, among other things, the proceeds of the 2009 Bonds.
7. Authorizes authorized representatives of the Authority to do any and all things necessary or advisable in order to consummate the issuance, sale and delivery of the 2009 Bonds and/or the refunding of all or a portion of the 1998 Bonds.
8. Ratifies the actions already taken by the Authority's personnel related to the transactions.

#### **RECOMMENDATION**

Approve Resolution 9, making the findings and authorizing and directing authorized representatives of the Authority to undertake the actions described in the Summary above.

## **DISCUSSION**

In 1991 the District caused the execution and delivery of its Certificates of Participation (1991 Capital Improvement Project) in the aggregate original principal amount of \$60,000,000 (the "1991 Certificates") to finance the costs of the District's Water Systems Projects and Sanitation System Project. In 1998 the District caused the refinancing of the 1991 Certificates with a portion of the proceeds of the 1998 Bonds. The 1998 Bonds are secured by the payments under the 1998 Installment Purchase Contract.

The Board of Directors of the District has directed the District's staff to pursue the issuance of the 2009 Bonds for the purposes of, among other things, refinancing the outstanding 1998 Bonds and the District's obligations under the 1998 Installment Purchase Contract. The Board of Directors of the District appointed a financing team for the 2009 Bonds including Fieldman, Rolapp & Associates, as financial advisor to the District, Quateman LLP, as bond counsel to the District, and Stradling Yocca Carlson & Rauth, as disclosure counsel to the District.

Under the proposed plan of finance for the 2009 Bonds, the District and the Authority will cause the issuance of the 2009 Bonds (secured by Sanitation System revenues paid to the Authority by the District under the 2009 Installment Purchase Contract). The District and the Authority will apply a portion of the proceeds of the 2009 Bonds, together with a cash contribution of the District from the Water Systems and certain amounts on deposit in the funds and accounts created with respect to the 1998 Bonds, to refund all of the outstanding 1998 Bonds.

The Resolution is being presented to the Board for approval subsequent to the approval of the District of a resolution of the Board of Directors of the District to authorize the transactions contemplated in the Resolution.

Pursuant to the Resolution the 2009 Bonds may be issued subject to the parameters of the Resolution as described in the Summary above.

The financing schedule calls for the 2009 Bonds to be sold in December 2009 with an anticipated closing date of December 22.

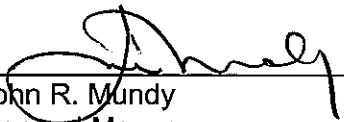
In connection herewith, the following documents are presented to the Board:

1. Indenture of Trust, to be dated as of December 1, 2009, by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee;
2. 2009 Installment Purchase Contract, to be dated as of December 1, 2009, by and between the District and the Authority;
3. Escrow Agreement, to be dated as of December 1, 2009, by and among the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow bank;
4. Bond Purchase Agreement for the 2009 Bonds, by and among the District, the Authority and the Underwriter;

5. Preliminary Official Statement of the Authority and the District relating to the 2009 Bonds; and
6. Letter of the District notifying the Authority of the intent to prepay the installment payment under the 1998 Installment Purchase Contract and requesting the Authority to waive a 60 day notice requirement.

The documents will be available for viewing in the Finance Department at District Headquarters.

Sandra Schmidt prepared this report under the direction and review of Bond Counsel.

  
\_\_\_\_\_  
John R. Mundy                      11/18/09  
General Manager                      Date

000171851/2/3457.0020



**RESOLUTION  
OF THE BOARD OF DIRECTORS  
OF THE  
CALLEGUAS-LAS VIRGENES PUBLIC FINANCING AUTHORITY**

**RESOLUTION NO. 9**

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALLEGUAS-LAS VIRGENES PUBLIC FINANCING AUTHORITY AUTHORIZING THE SALE OF NOT TO EXCEED \$33,000,000 PRINCIPAL AMOUNT OF ITS 2009 SANITATION SYSTEM REFUNDING REVENUE BONDS (LAS VIRGENES MUNICIPAL WATER DISTRICT), SELECTING AN UNDERWRITING FIRM, AUTHORIZING THE EXECUTION AND DELIVERY OF A FORM OF INDENTURE, AUTHORIZING THE EXECUTION AND DELIVERY OF A FORM OF INSTALLMENT PURCHASE CONTRACT, AUTHORIZING THE EXECUTION AND DELIVERY OF A FORM OF BOND PURCHASE AGREEMENT, AUTHORIZING THE EXECUTION AND DELIVERY OF A FORM OF ESCROW AGREEMENT, APPROVING A FORM OF OFFERING DOCUMENT, APPOINTING A TRUSTEE AND ESCROW BANK, AUTHORIZING FILINGS WITH THE CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION AND AUTHORIZING RESERVE FUNDS.

WHEREAS, Calleguas-Las Virgenes Public Financing Authority, a public body corporate and politic duly organized and existing under the Joint Exercise of Powers Agreement and under the Constitution and laws of the State of California (the "**Authority**"), is authorized to assist in the financing and refinancing of the construction of certain improvements for Las Virgenes Municipal Water District (the "**District**");

WHEREAS, the District previously determined that it was in the best interests of the District and the residents therein and caused the execution and delivery of its Certificates of Participation (1991 Capital Improvement Project) in the aggregate original principal amount of \$60,000,000 (the "**1991 Certificates**") to finance the costs of certain capital improvements to the potable water, sanitation and water reclamation systems of the District (collectively, the "**Project**");

WHEREAS, the 1991 Certificates represented installment payments to be made under a Installment Purchase Contract, dated as of November 1, 1991, entered into by and between the Independent Public Facilities Corporation (the "**Corporation**") and the District (the "**1991 Installment Purchase Contract**") and the 1991 Certificates were executed and delivered under that certain Trust Agreement, dated as of November 1, 1991, by and among Bank of America National Trust and Savings Association, as trustee thereunder (the "**Prior Trustee**"), the Corporation and the District (the "**1991 Trust Agreement**");

WHEREAS, First Trust of California, National Association, as successor to the Prior Trustee (referred to herein as the **"1991 Trustee"**) assigned to the Authority, pursuant to an Assignment Agreement (Interests of the Independent Public Facilities Corporation and First Trust of California, National Association in the 1991 Installment Purchase Contract), dated as of March 1, 1998, by and between the 1991 Trustee and the Authority, all of its rights, obligations, title and interest under the 1991 Installment Purchase Contract, to be effective on the date that the 1991 Certificates were refunded and defeased as provided in the 1991 Trust Agreement;

WHEREAS, the Authority, as successor in interest to the Corporation and the 1991 Trustee in the 1991 Installment Purchase Contract, and the District entered into that certain Revised and Restated Installment Purchase Contract dated as of March 1, 1998 (the **"1998 Installment Purchase Contract"**) to provide for the refunding of the 1991 Certificates;

WHEREAS, the outstanding principal amount of the 1991 Certificates was prepaid with a portion of the proceeds of the Authority's 1998 Installment Purchase Refunding Revenue Bonds (Las Virgenes Municipal Water District) (the **"1998 Bonds"**) issued in the aggregate principal amount of \$56,290,000, pursuant to that certain Indenture of Trust, dated as of March 1, 1998 (the **"1998 Indenture"**), by and between the Authority and the 1991 Trustee;

WHEREAS, the 1998 Bonds are secured by the installment payments payable under the 1998 Installment Purchase Contract and, pursuant to the Assignment Agreement, dated as of March 1, 1998, by and between the Authority and the 1991 Trustee, the Authority assigned and transferred to the 1991 Trustee all of its rights under the 1998 Installment Purchase Contract;

WHEREAS, the District has determined that it is in its best interests at this time to cause the redemption of the outstanding principal amount of the 1998 Bonds with, among other available moneys, a portion of the proceeds of the Authority's 2009 Sanitation System Refunding Revenue Bonds (Las Virgenes Municipal Water District) to be issued in an aggregate principal amount not to exceed \$33,000,000 (the **"2009 Bonds"**), pursuant to that certain Indenture of Trust, to be dated as of December 1, 2009 (the **"Indenture"**), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the **"Trustee"**);

WHEREAS, the Authority and the District have each determined that it is in their best interests at this time to execute and deliver that certain Installment Purchase Contract, to be dated as of December 1, 2009, (the **"2009 Installment Purchase Contract"**), by and between the District and the Authority;

WHEREAS, in connection with the prepayment of the outstanding principal amounts payable under the 1998 Installment Purchase Contract and of the 1998 Bonds, the Authority desires to enter into the Indenture to provide for the issuance of the 2009 Bonds;

WHEREAS, the principal of and interest on the 2009 Bonds will be secured by the installment payments to be made by the District pursuant to the 2009 Installment Purchase Contract;

WHEREAS, a portion of the proceeds of the 2009 Bonds, together with other available moneys, will be deposited in an escrow fund to be established under that certain Escrow Agreement, to be dated as of December 1, 2009 (the **"Escrow Agreement"**), by and among the District, the Authority and The Bank of New York Mellon Trust Company, N.A.

(formerly known as The Bank of New York Trust Company, N.A., as successor in interest to BNY Western Trust Company, as successor in interest to U.S. Trust Company of California, N.A.), as escrow bank (the “**Escrow Bank**”), together with certain other funds, to prepay the installment payments payable under the 1998 Installment Purchase Contract and to redeem the outstanding principal amount of the 1998 Bonds, all as further provided in the Escrow Agreement;

WHEREAS, the 2009 Bonds will be issued as described in that certain preliminary official statement (the “**Preliminary Official Statement**”) and, upon pricing, the Authority will execute and deliver that certain Bond Purchase Agreement (the “**Bond Purchase Agreement**”), by and among the Authority, the District and Stone & Youngberg LLC, as underwriter (the “**Underwriter**”); and

WHEREAS, there has been presented to this Board of Directors of the Calleguas-Las Virgenes Public Financing Authority (the “**Board**”) copies of each of the aforementioned documents and certain other documents relating to the foregoing;

NOW, THEREFORE, THE BOARD DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Findings. The above recitals, and each of them, are true and correct.

Section 2. Authorization of 2009 Bonds. The Board hereby authorizes the issuance of the Calleguas-Las Virgenes Public Financing Authority 2009 Sanitation System Refunding Revenue Bonds (Las Virgenes Municipal Water District) in one or more series or subseries, to be sold at par, premium or discount, on a taxable or tax-exempt basis, on the terms and conditions to be determined by the Board, subject to the following specified parameters:

- a. the 2009 Bonds are to be issued for the purpose of refunding the 1998 Bonds, providing for the funding of a debt service reserve fund with respect to the 2009 Bonds and paying the costs incidental to such refunding and to the issuance of the 2009 Bonds;
- b. the maximum principal amount of the 2009 Bonds shall not exceed \$33,000,000;
- c. the maximum term for which any of the 2009 Bonds shall not extend beyond November 1, 2023;
- d. the maximum true interest cost, as calculated by Fieldman, Rolapp & Associates, financial advisor to the District (the “**Financial Advisor**”), to be incurred through the issuance of the 2009 Bonds, shall be 4.5%; and
- e. the resulting net present value savings from refunding the 2009 Bonds, as calculated by the Financial Advisor, shall be not less than such minimum savings amount determined by the District with the assistance of the Financial Advisor in compliance with the District’s financial policies.

Section 3. Selection of Underwriting Firm. The Board hereby selects Stone & Youngberg LLP as the underwriting firm for the sale of the 2009 Bonds.

Section 4. Indenture. The Chairman of the Authority, any Director of the Authority and their respective designees (each an “**Authorized Representative**,” and collectively, the “**Authorized Representatives**”) are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to execute and deliver the Indenture, in substantially the form submitted to the Board for consideration with this Resolution, subject to such additions thereto or changes therein, and any amendments or supplements thereto consistent with the parameters, terms and conditions established by the Board, as such Authorized Representative, with the approval of QUATEMAN LLP, as Bond Counsel (“**Bond Counsel**”), may approve, such approval to be conclusively evidenced by the execution and delivery thereof. All references to the Indenture herein shall be deemed to include such amendments and supplements thereto.

Section 5. Installment Purchase Contract. The Authorized Representatives are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to execute and deliver the 2009 Installment Purchase Contract, in substantially the form submitted to the Board for consideration with this Resolution, subject to such additions thereto or changes therein, and any amendments or supplements thereto, consistent with the parameters, terms and conditions established by the Board, as such Authorized Representative, with the approval of Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. All references to the 2009 Installment Purchase Contract herein shall be deemed to include such amendments and supplements thereto.

Section 6. Escrow Agreement. The Authorized Representatives are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to execute and deliver the Escrow Agreement, in substantially the form submitted to the Board for consideration with this Resolution, subject to such additions thereto or changes therein, and any amendments or supplements thereto, consistent with the parameters, terms and conditions established by the Board, as such Authorized Representative, with the approval of Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. All references to the Escrow Agreement herein shall be deemed to include such amendments and supplements thereto.

Section 7. Bond Purchase Agreement. The Authorized Representatives are each hereby authorized and directed, acting alone, to execute and deliver the Bond Purchase Agreement in substantially the form submitted to the Board for consideration with this Resolution, subject to such additions thereto or changes therein, consistent with the parameters, terms and conditions established by the Board, as such Authorized Representative may approve, with the approval of Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof. The aggregate Underwriter’s discount under the Bond Purchase Agreement shall not exceed 0.6% (exclusive of original issue discount) of the principal amount of the 2009 Bonds.

Section 8. Offering Document. The Preliminary Official Statement of the Authority and the District relating to the 2009 Bonds (the “**Preliminary Official Statement**”), in substantially the form submitted to the Board for consideration with this Resolution, is hereby approved, subject to such additions thereto or changes therein, and any amendments or supplements thereto, consistent with the parameters, terms and conditions established by the Board, as an Authorized Representative, with approval of Bond Counsel and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Disclosure Counsel (“**Disclosure Counsel**”), may deem appropriate. All references to the Preliminary Official Statement herein shall be

deemed to include such amendments and supplements thereto. The Authorized Representatives are each hereby authorized and directed, for and on behalf of the Authority, to cause the printing of and distribution of the Preliminary Official Statement to persons who may be interested in purchasing the 2009 Bonds. The Authorized Representatives are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to execute and deliver a final Official Statement of the Authority and the District relating to the 2009 Bonds (the “**Official Statement**”), in substantially the form of the Preliminary Official Statement, subject to such additions thereto or changes therein, and any amendments or supplements thereto, as such Authorized Representative, with the approval of Bond Counsel and Disclosure Counsel, may deem appropriate, and to execute and deliver such certifications as the Underwriter may require in order to confirm that the Preliminary Official Statement and the Official Statement have been “deemed final” by the District for purposes of Securities and Exchange Commission Rule 15c2-12, such approval to be conclusively evidenced by the execution and delivery thereof. All references to the Official Statement herein shall be deemed to include such amendments and supplements thereto. The Board hereby approves the distribution of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering, marketing and sale of the 2009 Bonds.

Section 9. Sale of 2009 Bonds. The Authorized Representatives are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to proceed with the sale of the 2009 Bonds when, upon the advice of the Financial Advisor and the Underwriter, such Authorized Representatives deem appropriate and subsequent to the distribution of the Preliminary Official Statement.

Section 10. Form of 2009 Bonds. The form of the 2009 Bonds as set forth in the Indenture (as the Indenture may be modified) is hereby approved. The Chairman and the Secretary of the Authority are hereby authorized and directed to execute the 2009 Bonds by manual or facsimile signature in the name and on behalf of the Authority and under its seal in accordance with the Indenture and in the approximate principal amount as set forth above.

Section 11. Appointment of Trustee. The Bank of New York Mellon Trust Company, N.A. is named as trustee under the Indenture with the powers and duties set forth in the Indenture; provided, however, that the Authorized Representative may approve the selection of another trustee meeting the criteria set forth in the Indenture if such a substitution is deemed by the Authorized Representative, upon consultation with Bond Counsel, to be advisable to consummate the delivery of the 2009 Bonds in an timely and cost efficient manner. The Trustee or its agent appointed under the Indenture is hereby requested and directed to authenticate the 2009 Bonds by executing the certificate of authentication and registration appearing thereon and to deliver the 2009 Bonds, when duly executed and authenticated, to the purchasers thereof in accordance with written instructions executed on behalf of the Authority by the Authorized Representative, which instructions said officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the 2009 Bonds to the purchasers of the purchase price therefor.

Section 12. Appointment of Escrow Bank. The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A., as successor in interest to BNY Western Trust Company, as successor in interest to U.S. Trust Company of California, N.A.), is named as Escrow Bank under the Escrow Agreement with the powers and duties set forth in the Escrow Agreement; provided, however, that the Authorized

Representative may approve the selection of another escrow bank meeting the criteria set forth in the Escrow Agreement if such a substitution is deemed by the Authorized Representative, upon consultation with Bond Counsel, to be advisable to consummate the purposes of the Escrow Agreement in an timely and cost efficient manner.

Section 13. Filing of Notices and Reports. Each Authorized Representative, or any one of them, on behalf of the Authority, is further authorized and directed to (a) cause written notice to be provided to the California Debt and Investment Advisory Commission (the “**Commission**”) of the proposed sale of the 2009 Bonds, said notice to be provided in accordance with California Government Code, (b) file or cause to be filed the notice of final sale with said Commission, (c) file or cause to be filed the rebates and notices required under the Internal Revenue Code (and any guidance published thereunder), (d) file or cause to be filed any notices to the holders of the 1998 Bonds in connection with refunding thereof and (e) file or cause to be filed such additional notices and reports as are deemed necessary or desirable by such Authorized Representatives, Bond Counsel, Disclosure Counsel or the Underwriter.

Section 14. Authorization for Provision for Reserve Funds. A portion of the proceeds of the 2009 Bonds and proceeds allocable to the 1998 Bonds, currently on deposit in the Reserve Fund established under the 1998 Indenture, may be used to fund a reserve fund for the 2009 Bonds or to pay the costs of a reserve fund surety bond or any other security device for the Reserve Fund as set forth in the Indenture.

Section 15. Redemption of the Proportionate Share of the 1998 Bonds Relating to the Water Systems. The Authorized Representatives are each hereby authorized and directed, acting alone, for and on behalf of the Authority, to redeem all or a portion of the 1998 Bonds from, among other things, the proceeds of the 2009 Bonds and certain other moneys provided by the District used to prepay certain installment payments under the 1998 Installment Purchase Contract attributable to the financing of the Water Systems, as such Authorized Representatives deem appropriate, upon the advice of the Financial Advisor.

Section 16. Additional Action. The Authorized Representatives, the Chairman of the Board, the Vice Chairman of the Board, the Secretary of the Board and any other proper officer of the Authority and officers, employees and agents of the Authority are each hereby authorized and directed, jointly and severally, for and on behalf of the Authority, to do any and all things, including without limitation, to waive any notice requirements for prepayment of the 1998 Bonds, to engage a verification agent or to publish any notice required in connection with the purchase of the 2009 Bonds, and to execute and deliver any and all documents, certificates and other instruments, which may include one or more investment agreements and one or more escrow agreements, and amendments or supplements thereto, and any and all documents, which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2009 Bonds and/or the refunding of all or a portion of the 1998 Bonds, and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby. The Authorized Representatives and other officers, employees and agents of the Authority are directed to take the actions specified herein or necessary to effect the purposes hereof, and all such actions by such officers, employees and agents or their designees are hereby deemed to be non-discretionary and ministerial.

Section 17. Ratification of Prior Actions. All actions heretofore taken by the Authorized Representatives and officers, employees and agents of the Authority prior to the date

this Resolution becomes final in connection with or related to the issuance and sale of the 2009 Bonds or the refunding of all or a portion of the 1998 Bonds, including but not limited to the publication of any press releases, newspaper advertisements or dissemination of any information pursuant to Bloomberg Financial Market Systems, the Munifacts Wire System and The Depository Trust Company or other comparable information services and the printing of and distribution of any Preliminary Official Statement after the adoption of this Resolution, are hereby approved, ratified and confirmed.

Section 18. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED, APPROVED AND ADOPTED this 24th day of November, 2009.

\_\_\_\_\_

President

ATTEST:

\_\_\_\_\_

Secretary

STATE OF CALIFORNIA     )  
  ) S.S.  
COUNTY OF LOS ANGELES )

I, [\_\_\_\_\_], Secretary of the Board of Directors of the Calleguas-Las Virgenes Public Financing Authority, DO HEREBY CERTIFY the above and foregoing is a full, true and correct copy of Resolution No. [\_\_\_\_\_] of said Board, and the same has not been amended or repealed.

DATED: [\_\_\_\_\_]

\_\_\_\_\_  
Secretary of Calleguas-Las Virgenes  
Public Financing Authority and of the Board of  
Directors thereof