

RESOLUTION NO. 01-2016

RESOLUTION OF THE GOVERNING BOARD OF CABAZON WATER DISTRICT DECLARING ITS INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS TO BE USED TO REIMBURSE THE DISTRICT FOR CERTAIN EXPENDITURES PRIOR TO THE ISSUANCE OF SUCH TAX-EXEMPT BOND OBLIGATIONS

RECITALS

WHEREAS, The Cabazon Water District ("District") desires and intends to finance the construction, acquisition and improvement of certain properties designated as Riverside County Assessor Parcel Numbers 526-022-009 and 526-022-008 and located in Cabazon, Riverside County, California in furtherance of its purposes (the "Project"); and

WHEREAS, the District expects to cause the execution, delivery and sale of tax-exempt obligations such as bonds for the purpose of providing financing for all or a portion of the Project in a principal amount of approximately \$300,000 (the "Obligations"); and

WHEREAS, pursuant to Section 1.150-2(d) of the Regulations of the United States Department of the Treasury (the "Regulations") promulgated under Section 150 of the Internal Revenue Code of 1986, as amended, the District may reimburse the amounts advanced by the District for the Project if not later than 60 days after payment of the original expenditure of an amount advanced by the District, the Board of Directors adopts an official intent to reimburse the expenditure of such advanced amount, and such reimbursement occurs not later than 18 months after the later of the date of the original expenditure is paid or the date the Project is placed in service, but in no event more than three (3) years after the original expenditure is paid; and

WHEREAS, the Board of Directors intends that the District shall be reimbursed the amounts advanced by the District from the General Acct. fund of the District for the Project from proceeds of the sale of the Obligations; and

WHEREAS, the Board of Directors further intends that the District shall receive reimbursement from the proceeds of the sale of the Obligations for certain expenditures which have been made and will be made prior to the date the Obligations are entered into in connection with the design, construction, acquisition, installation and equipping of the Project which are "preliminary expenditures" as defined in Section 1.150-2(f)(2) of the Regulations.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Cabazon Water District as follows:

Section 1. The Board of Directors declares that it is the intent of the District, subject to further approval by this Board, that the District will be reimbursed the amounts advanced by the District from the General Acct. fund for the design, construction, acquisition, installation and equipping of the Project from the proceeds of the sale of the Obligations. The maximum principal amount of the Obligations will not exceed \$300,000.

Section 2. The Board of Directors further declares that it is the intent of the District to be reimbursed amounts which have been and will be expended with respect to the design, construction, acquisition, installation and equipping of the Project which are "preliminary expenditures" as defined in Section 1.150-2(f)(2) of the Regulations.

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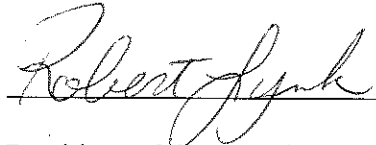
Section 3. It is intended that this Resolution shall constitute a declaration of "official intent" within the meaning of Section 1.150-2 of the Regulations.

Section 4. The adoption of this Resolution shall not bind the District to proceed with execution and delivery of the Obligations until and unless all other necessary actions and approvals are taken or received in accordance with all applicable laws.

Section 5. This Resolution shall take effect immediately upon its adoption.

Section 6. The Board Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED this 21st day of March 2016, by the Cabazon Water District Board of Directors.



President of the Board of Directors

ATTEST:



Secretary of the Board of Directors

APPROVED AS TO FORM:

Best Best & Krieger LLP
General Counsel