

## RESOLUTION NO. 6-07

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT AUTHORIZING DOCUMENTS AND OFFICIAL ACTIONS RELATING TO THE INSTALLMENT SALE FINANCING OF WATER SYSTEM IMPROVEMENTS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,500,000

**WHEREAS**, the Groveland Community Services District (the "District") owns and operates a system for the supply, treatment and distribution of water within the service area of the District (the "Water System"), and the District wishes to raise funds to finance improvements to the Water System, consisting generally of treatment plant upgrades and emergency water supply improvements (the "Water Projects"); and

**WHEREAS**, the Board of Directors of the District has previously adopted its resolution expressing the Board's intention to reimburse various costs of the Water Projects from the proceeds of tax-exempt obligations of the District; and

**WHEREAS**, in order to provide financing for the Water Projects, the District has proposed to enter into an Installment Sale Agreement with LaSalle Bank National Association (the "Bank"), under which the Bank will provide an amount not to exceed \$5,500,000 for such purposes and the District will agree to pay semiannual Installment Payments to the Bank as the purchase price of the Water Projects under such agreement; and

**WHEREAS**, the Board of Directors wishes at this time to take action approving such financing transactions and all related documents and actions;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

**Section 1. Approval of Financing Plan.** The Board of Directors hereby approves the financing plan described in the recitals of this Resolution. To that end, the Board of Directors hereby approves entering into an Installment Sale Agreement with the Bank in the maximum principal amount of \$5,500,000 for the purpose of providing funds to pay and reimburse the payment of the costs of the Water Projects.

**Section 2. Approval of Installment Sale Agreement.** The Board of Directors hereby approves the Installment Sale Agreement between the Bank and the District, under which the Bank agrees to provide financing for the Water Projects and to sell the completed Projects to the District for a purchase price to be paid in semiannual installment payments which are payable from the net revenues of the Water System. The Installment Sale Agreement is hereby approved in substantially the form on file with the Secretary together with any changes therein or additions thereto deemed advisable by General Manager. The President or the General Manager is hereby authorized and directed for and in the name and on behalf of the District to execute, and the Secretary is hereby authorized and directed to attest and affix the seal of the District to, the final

form of the Installment Sale Agreement, and such execution shall be conclusive evidence of the approval of the final form thereof.

**Section 3. Engagement of Professional Services.** In connection with the issuance and sale of the Bonds, the District hereby appoints the firm of Jones Hall, A Professional Law Corporation, to act as bond counsel to the District. The General Manager is authorized and directed to execute the agreement with said firm in the form on file with the Secretary. As provided in said agreement, compensation payable to bond counsel and disclosure counsel is entirely contingent upon the successful conclusion of the financing.

**Section 4. Official Actions.** The President, the General Manager, the Finance Manager, the Secretary and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

**Section 5. Effective Date.** This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 3<sup>rd</sup> day of May, 2007, by the following vote:

AYES: Directors Allegri, Brizard, Gray, Johnson and Lennen  
NOES: None  
ABSENT: None  
ABSTAIN: None

  
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President

[Seal]

ATTEST:

  
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Secretary