

RESOLUTION NO. 25-14

RESOLUTION OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF A GROUNDWATER WELL PROJECT

WHEREAS, Running Springs Water District (the "District") is a public agency duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District desires to provide for financing in the approximate amount of \$550,000 for the acquisition and construction of a groundwater well project (the "Project"); and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective ten year installment sale financing arrangement at a 3.40% interest rate;

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

SECTION 1. Installment Sale Agreement. The President of the Board of Directors, the General Manager or a designee in writing is hereby authorized to enter into an Installment Sale Agreement (the "Installment Sale") with the Corporation to finance the Project, subject to approval as to form by the District's legal counsel.

SECTION 2. Attestations. The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of the President of the Board of Directors, the General Manager or of such other person or persons as may have been designated by the President of the Board of Directors or the General Manager, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Installment Sale.

SECTION 3. Authorization to Establish Project Fund. The Board of Directors hereby authorizes and directs the President of the Board, the General Manager or a designee in writing to make appropriate arrangements to establish a special fund into which the proceeds of the financing are deposited for the purpose of paying the costs of the Project.

SECTION 4. Other Actions. The President of the Board of Directors, the General Manager and other officers of the District are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all documents, agreements and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution and the Installment Sale. Such actions are hereby ratified, confirmed and approved.

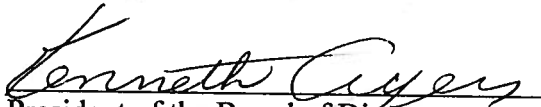
SECTION 5. Qualified Tax-Exempt Obligations. The Installment Sale is hereby designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code

of 1986, as amended (the "Code"). The District, together with all subordinate entities of the District, do not reasonably expect to issue during the calendar year in which the Installment Sale is issued more than \$10,000,000 of obligations which it could designate as "qualified tax-exempt obligations" under Section 265(b) of the Code.

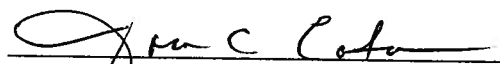
SECTION 6. Effect. This Resolution shall take effect immediately upon its adoption.

SECTION 7. Repeal. This Resolution supersedes and replaces Resolution No. 19-14, which is hereby rescinded. All other resolutions or motions inconsistent herewith, are repealed.

ADOPTED this 22nd day of October, 2014. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the Running Springs Water District.


President of the Board of Directors
Running Springs Water District

ATTEST:


Secretary of the Board of Directors
Running Springs Water District