

**RESOLUTION NO. PFA 14-0003**

**RESOLUTION OF THE ROSS VALLEY PUBLIC FINANCING AUTHORITY  
AUTHORIZING THE ISSUANCE OF WASTEWATER REVENUE BONDS IN AN  
INITIAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000 IN  
CONNECTION WITH FINANCING CERTAIN WASTEWATER SYSTEM  
IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF AN  
INDENTURE OF TRUST, AN INSTALLMENT SALE AGREEMENT AND CERTAIN  
OTHER DOCUMENTS, AUTHORIZING THE NEGOTIATION FOR THE SALE OF  
BONDS, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER  
RELATED ACTIONS**

**WHEREAS**, the California Municipal Finance Authority and Sanitary District No. 1 of Marin County (the "District") have entered into a Joint Exercise of Powers Agreement establishing the Ross Valley Public Financing Authority (the "Authority") for the purpose, among others, of issuing its revenue bonds to finance the acquisition, construction and improvement of certain public capital improvements in the District; and

**WHEREAS**, for the purpose of raising funds necessary to finance certain improvements to the District's wastewater system and restructure existing obligations of the District, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), to be designated as the Ross Valley Public Financing Authority (Sanitary District No. 1 of Marin County) 2014 Revenue Bonds (the "Bonds"); and

**WHEREAS**, the proceeds of the Bonds will be used to finance certain improvements to the District's wastewater system; and

**WHEREAS**, pursuant to an Installment Sale Agreement by and between the District and the Authority (the "Installment Sale Agreement"), the District will make installment payments to the Authority as the purchase price for certain improvements to the District's wastewater system, and the Authority will use the installment payments made by the District to the Authority pursuant to the Installment Sale Agreement to pay debt service on the Bonds; and

**WHEREAS**, the Authority desires to prepare and make available to potential investors an official statement relating to the Bonds containing information to be used in connection with the sale of Bonds; and

**WHEREAS**, the Board of Directors (the "Board") of the Authority has duly considered these transactions and wishes at this time to approve these transactions and make certain findings regarding significant public benefits to the Authority's members with respect to these transactions;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE ROSS VALLEY PUBLIC FINANCING AUTHORITY, as follows:

Section 1. Findings and Determinations. Pursuant to the Act, the Board hereby finds and determines that the issuance of the Bonds and the transactions related thereto

will result in significant public benefits to its members within the contemplation of Section 6586 of the Act.

Section 2. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds pursuant to an Indenture of Trust (the "Indenture") by and between the Authority and the Trustee (hereinafter defined). The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as the President, Secretary, Executive Director, or the written designee of any of them (each, a "Designated Officer"), deems necessary, desirable or appropriate upon consultation with bond counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the performance by the Authority of its obligations under the Indenture.

Section 3. Maximum Bond Parameters. The Board hereby approves the issuance of the Bonds; provided that the principal amount of Bonds may not exceed \$32,000,000, the maximum true interest cost of the Bonds may not exceed 5.00% per annum, and the final maturity of the Bonds may not exceed 26 years after the date of issuance.

Section 4. Approval of Installment Sale Agreement. The Board hereby approves the form of the Installment Sale Agreement by and between the Authority and the District on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Installment Sale Agreement for and in the name of and on behalf of the Authority. The Authority hereby authorizes the performance by the Authority of its obligations under the Installment Sale Agreement.

Section 5. Sale of Bonds. The Authority hereby authorizes and directs the Executive Director of the Authority to sell the Bonds pursuant to a competitive sale, the terms of which shall be as described in a Notice of Sale, the form of which has been presented to this Board. The Authority hereby approves the form of the Notice of Sale on file with the Secretary, with such additions thereto and changes therein as Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions or changes; provided that no such addition or change may increase the aggregate principal amount of Bonds or the maximum true interest cost of the Bonds in excess of the parameters set forth in Section 3 above. The Designated Officers, each acting alone, are hereby authorized and directed to finalize and cause the distribution of the Notice of Sale and to take all actions necessary to fulfill the Authority's obligations thereunder. The Authority hereby authorizes the performance by the Authority of its obligations under the Notice of Sale. If upon the advice of the District's financial advisor, Sperry Capital Inc., the Executive Director determines that a competitive sale of the Bonds is not desirable under the circumstances, then the Authority authorizes and directs

the Executive Director to sell the Bonds pursuant to a negotiated sale and to enter into a bond purchase agreement; provided that the underwriter's discount (exclusive of any original issue discount) may not exceed 0.6%.

Section 6. Official Statement. The Board hereby approves the form of Official Statement relating to the Bonds (the "Official Statement") on file with the Secretary, together with such changes or additions thereto as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel to the Authority, and authorizes the Designated Officers, each acting alone, to deem a preliminary form of the Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, except for omissions permitted therein. The Board hereby approves the distribution of the preliminary form of Official Statement by the underwriters to potential Bond investors. The Designated Officers, each acting alone, are hereby authorized to execute the final form of the Official Statement with such changes or additions as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel to the Authority, and the execution of the final Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Board hereby authorizes the distribution of the final Official Statement.

Section 7. Selection of Trustee. The Board hereby authorizes and directs the Executive Director to appoint The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") for the Bonds, and authorizes the Designated Officers to negotiate the fees for trustee services in the name of and on behalf of the Authority.

Section 8. Official Actions. The Designated Officers and any and all other officers of the Authority are hereby authorized and directed, for and in the name of and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein, including without limitation, a continuing disclosure certificate and such documents, assignments, certificates and agreements as may be required by the Indenture, the Installment Sale Agreement and any and all other documents and agreement approved hereunder.

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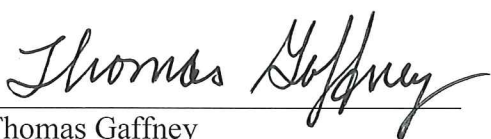

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Board of Directors of the Ross Valley Public Financing Authority at a meeting thereof duly held on the 15th day of October 2014, by the following vote:

AYES, and in favor thereof, Directors: Boorstein, Sylla, Meigs, Egger, Gaffney

NOES, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

<p>APPROVED:</p>  <hr/> <p>Thomas Gaffney President</p>	<p>ATTEST:</p>  <hr/> <p>Michael Boorstein Secretary</p>
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