PALMDALE WATER DISTRICT

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April 18, 2013

Agenda for a Meeting of the Board of Directors of the Palmdale Water District Public Financing Authority to be held at the District's office at 2029 East Avenue Q, Palmdale

Wednesday, April 24, 2013

7:30 p.m.

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x1003 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x1003 for public review of materials.

PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

1) Roll Call.

2) Adoption of Agenda.

3) Public comments for non-agenda items.

4) Action Items: (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)

4.1) Consideration and possible action on approval of minutes of meeting held April 10, 2013.

4.2) Consideration and possible action on Resolution No. 2013-2 of the Palmdale Water District Public Financing Authority Authorizing the Issuance of Not-to-Exceed $50,000,000 Water Revenue Bonds, Series 2013A, Approving the Execution of Certain Documents and Authorizing Certain Acts in Connection Therewith.

5) Information Items.

6) Board Members' requests for future agenda items.

7) Adjourn to Palmdale Water District Board meeting.

DENNIS D. LaMOREAUX,
Executive Director

DDL/dd

RESOLUTION NO. 2013-2

RESOLUTION OF THE PALMDALE WATER DISTRICT PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $50,000,000 WATER REVENUE BONDS, SERIES 2013A, APPROVING THE EXECUTION OF CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTS IN CONNECTION THEREWITH

WHEREAS, the Palmdale Water District Public Financing Authority is a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority") which has the authority to assist in financing and refinancing the acquisition, construction, installation and equipping of capital improvements on behalf of the Palmdale Water District (the "District");

WHEREAS, the District has requested that the Authority assist the District (i) in prepaying certain outstanding installment payments pursuant to a 2004 Installment Purchase Agreement, dated as of September 1, 2004, by and between the Palmdale Water District Public Facilities Corporation and the District (the "2004 Installment Purchase Agreement") in order to reduce the District's borrowing costs, and (ii) financing certain capital improvements to the District's Water System (the "2013 Project"); and

WHEREAS, the Board of Directors of the Authority has determined to assist the District with the prepayment of all or a portion of the installment payments due under the 2004 Installment Purchase Agreement and the financing of the 2013 Project, and to approve certain documents in connection therewith;

NOW THEREFORE, the Board of Directors of the Palmdale Water District Public Financing Authority hereby finds, determines, declares and resolves as follows:

SECTION 1. The issuance of the Palmdale Water District Public Financing Authority Water Revenue Bonds, Series 2013A (the "2013A Bonds") in the principal amount not to exceed $50,000,000 in order to prepay all or a portion of the installment payments due under the 2004 Installment Purchase Agreement, finance the 2013 Project, and to pay the cost of issuance for the

2013A Bonds, is hereby approved; provided, however, that the 2013A Bonds shall be issued only in accordance with the parameters set forth in Section 5 below.

SECTION 2. The Installment Purchase Agreement by and between the District and the Authority, in substantially the form on file with the Authority, is hereby approved. Each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary of the Authority, or the Chairman's designee, acting alone, is hereby authorized and directed to execute and deliver the Installment Purchase Agreement with such changes, insertions and omissions as may be approved by the person executing the same, said execution being conclusive evidence of such approval.

SECTION 3. The Indenture of Trust by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), in substantially the form on file with the Authority, is hereby approved. Each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary of the Authority, or the Chairman's designee, acting alone, is hereby authorized and directed to execute and deliver the Indenture of Trust with such changes, insertions and omissions as may be approved by the person executing the same, said execution being conclusive evidence of such approval.

SECTION 4. The Assignment Agreement, by and between the Authority and the Trustee, in substantially the form on file with the Authority, is hereby approved. Each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary of the Authority, or the Chairman's designee, acting alone, is hereby authorized and directed to execute and deliver the Assignment Agreement with such changes, insertions and omissions as may be approved by the person executing the same, said execution being conclusive evidence of such approval.

SECTION 5. The Purchase Contract by and between the Authority and Piper Jaffray & Co. (the "Underwriter"), in substantially the form on file with the Authority, is hereby approved. Each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary of the Authority, or the

Chairman's designee, acting alone, is hereby authorized and directed to execute and deliver the Purchase Contract with such changes, insertions and omissions as may be approved by the person executing the same, said execution being conclusive evidence of such approval; provided, however, that in no event shall the principal amount of the 2013A Bonds exceed $50,000,000, nor shall the Underwriter's discount exceed 0.8% of the principal amount of the 2013A Bonds, nor shall 2013A Bonds be issued to refinance the 2004 Installment Purchase Agreement unless such refinancing results in net present value savings for the District equal to or greater than 3% of the principal amount of the installment payments due on and after October 1, 2015 under the 2004 Installment Purchase Agreement, as calculated by the Underwriter.

SECTION 6. The preparation and distribution of the Preliminary Official Statement, in substantially the form on file with the Secretary of the Board, is hereby approved, subject to final approval as to form by the District's legal counsel and the law firm of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel"). Each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary of the Authority, and the Chairman's designee, acting alone, is hereby authorized to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Preliminary Official Statement, and each of the Chairman, Vice Chairman, Executive Director, Treasurer and Secretary, acting alone, is hereby authorized and directed to execute, approve and deliver the final Official Statement in the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by the person executing the same, said execution being conclusive evidence of such approval. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the initial purchase of the 2013A Bonds and is directed to deliver copies of any final Official Statement to all actual initial purchasers of the 2013A Bonds.

SECTION 7. Each of the Executive Director, the Treasurer or their respective designees, acting alone, is hereby authorized to (i) execute a commitment for municipal bond insurance and/or a reserve surety policy from a municipal bond insurer (the "Insurer"), (ii) to finalize the form of such policy or policies with the Insurer, and (iii) if it is determined that the policy or policies will result in interest rate savings for the District, to pay the insurance premium of such policy or policies from the proceeds of the issuance and sale of the Bonds. Bond Counsel is hereby directed to make all changes to the Preliminary Official Statement, the Installment Purchase Agreement, the Indenture of Trust and the Purchase Contract as are necessary to reflect the selection of an Insurer and the reasonable comments thereof.

SECTION 8. Each of the Chairman, Vice Chairman, Executive Director, Treasurer or Secretary and any other proper officer of the Authority is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Indenture of Trust, the Installment Purchase Agreement, the Assignment Agreement, the Purchase Contract, the Preliminary Official Statement and this Resolution.

SECTION 9. The Bank of New York Mellon Trust Company, N.A. is hereby appointed to act as trustee under the Indenture of Trust.

SECTION 10. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Indenture unless the context otherwise clearly requires.

SECTION 11. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED by the Board of Directors of the Palmdale Water District Public Financing Authority, California, this 24th day of April, 2013, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

_____
Chairman

ATTEST:

_____
Secretary