MINUTES OF ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION, NOVEMBER 14, 2012:

An annual meeting of the Board of Directors of the Palmdale Water District Public Facilities Corporation was held Wednesday, November 14, 2012, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. President, Gordon Dexter, called the meeting to order.

1) **Roll Call.**

Attendance:	**Others Present:**
Gordon Dexter, President	Dennis LaMoreaux, General Manager
Gloria Dizmang, Vice President	Tim Gosney, Attorney
Kathy Mac Laren, Treasurer	Mike Williams, Finance Manager/CFO
Robert Alvarado, Secretary	Matt Knudson, Engineering Manager
Steve Cordova, Director	Peter Thompson II, Operations Manager
	Tim Moore, Facilities Manager
	Jon Pernula, Water & Energy Resources Manager
	Bob Egan, Financial Advisor
	Jeannie Burns, Human Resources Consultant
	Dawn Deans, Executive Assistant
	10 members of the public

2) **Adoption of Agenda.**

It was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to adopt the agenda, as written.

3) **Public Comment for Non-Agenda Matters.**

There were no public comments.

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 Regular Meeting Held October 12, 2011.

It was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to approve the minutes of the meeting held October 12, 2011, as written.

4.2) Consideration and Possible Action on Election of Officers.

After a brief discussion, it was moved by President Dexter, seconded by Director Cordova, and unanimously carried that the officers for the Public Facilities Corporation remain the same slate of officers as the Palmdale Water District as follows:

Gordon Dexter, President
Gloria Dizmang, Vice President
Kathy Mac Laren, Treasurer
Robert Alvarado, Secretary
Steve Cordova, Director

4.3) Consideration and Possible Action to Adopt Resolution No. 12-1 Authorizing the Execution and Delivery of an Installment Purchase Agreement to Refund the Palmdale Water District's Refunding Revenue Certificates of Participation Series 1998 and Authorizing the Execution and Delivery of Said Installment Purchase Agreement and of the Assignment Agreement and Approving the Purchaser's Certificate in Connection Therewith. (Financial Advisor Egan)

After a brief discussion, it was moved by Director Dizmang, seconded by Director Alvarado, and unanimously carried to adopt Resolution No. 12-1 Authorizing the Execution and Delivery of an Installment Purchase Agreement to Refund the Palmdale Water District's Refunding Revenue Certificates of Participation Series 1998 and Authorizing the Execution and Delivery of Said Installment Purchase Agreement and of the Assignment Agreement and Approving the Purchaser's Certificate in Connection Therewith.

A copy of said Resolution No. 12-1 is hereby made a portion of the minutes of this meeting.

5) Information Items.

There were no information items.

6) Board Members' Requests for Future Agenda items.

There were no requests for future agenda items.

7) Adjournment.

There being no further business to come before the Board of Directors of the Public Facilities Corporation, it was moved by Director Mac Laren, seconded by Director Alvarado, and unanimously carried to adjourn the Palmdale Water District Public Facilities Corporation Board meeting to the Palmdale Water District regular Board meeting.

Robert E Alvarado

Secretary

RESOLUTION NO. 12-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION APPROVING AN INSTALLMENT PURCHASE AGREEMENT TO REFUND THE PALMDALE WATER DISTRICT'S REFUNDING REVENUE CERTIFICATES OF PARTICIPATION SERIES 1998 AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID INSTALLMENT PURCHASE AGREEMENT AND RELATED DOCUMENTS

WHEREAS, the Palmdale Water District Public Facilities Corporation, a California public benefit nonprofit corporation organized and existing under the laws of the State of California (the "Corporation"), is authorized to enter into agreements and to assist in the financing of improvements for the Palmdale Water District (the "District"); and

WHEREAS, the District is authorized to enter into agreements with the Corporation to finance the acquisition and construction of improvements to the District's water system (the "System"); and

WHEREAS, the District and the Corporation have previously entered into that certain Amended and Restated Installment Purchase Agreement, dated as of March 1, 1998 (the "1998 Installment Purchase Agreement"), for the purpose of refinancing the cost of acquiring various improvements to the System through the execution and delivery of the $21,925,000 Refunding Revenue Certificates of Participation Series 1998 (the "1998 Certificates"); and

WHEREAS, the District and the Corporation now desire to enter into an Installment Purchase Agreement (the "2012 Installment Purchase Agreement") for the purpose of prepaying the remaining installment payments due under the 1998 Installment Purchase Agreement and, in turn, prepaying the outstanding 1998 Certificates in order to reduce the District's borrowing costs; and

WHEREAS, to obtain the funds required to prepay the 1998 Certificates, the Corporation will assign certain of its rights under the 2012 Installment Purchase Contract to the Bank of Nevada (the "Purchaser") in accordance with the terms of that certain Assignment Agreement (the "Assignment Agreement") between the Corporation and the Purchaser; and

WHEREAS, for this financing there has been presented to the Corporation the forms of the Installment Purchase Agreement and the Assignment Agreement for approval;

WHEREAS, the Installment Purchase Agreement and the Assignment Agreement are necessary to carry out the prepayment of the 1998 Certificates;

NOW, THEREFORE, the Board of Directors of the Palmdale Water District Public Facilities Corporation does hereby RESOLVE, DETERMINE and ORDER as follows:

Section 1. Each of the above recitals is true and correct.

Section 2. The 2012 Installment Purchase Agreement and the Assignment Agreement (together the "Corporation Documents") are hereby approved and each of the President, the Vice President, the Treasurer and the Secretary of the Corporation, or their written designees (the "Authorized Officers"), acting alone, is hereby authorized and directed to execute and deliver the Corporation Documents in the name of and on behalf of the Corporation, in substantially the forms now before this meeting, but with such changes, modification, additions and deletions therein as shall be deemed necessary, desirable or appropriate by the Authorized Officer or Authorized Officers executing the Corporation Documents. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Corporation Documents by one or more Authorized Officers.

Section 3. The Authorized Officers are hereby authorized and directed, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the prepayment of the 1998 Certificates and otherwise to effectuate the purposes of this resolution.

ADOPTED, SIGNED and APPROVED at a special meeting of the Corporation this 14th day of November, 2012.

PALMDALE WATER DISTRICT PUBLIC FACILITIES CORPORATION

President

ATTEST:

Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, Robert Alvarado, Secretary of the Palmdale Water District Public Facilities Corporation, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the members of said Corporation duly and regularly held at the regular meeting thereof on the 14th day of November, 2012, of which meeting all of the members of said Corporation had due notice and at which a majority thereof was present; and that at said meeting said Resolution was adopted by the following vote:

AYES: Gordon Dexter, Gloria Dizmang, Kathy Mac Laren, Robert Alvarado, Steve Cordova

NOES: None.

ABSENT: None.

I further certify that I have carefully compared the foregoing Resolution with the original minute of said meeting on file and of record in my office; that said Resolution is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes; and that said Resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Robert E. Alvarado

Secretary, Palmdale Water District Public Facilities Corporation

(SEAL)