

RESOLUTION NO. 2011-01

**RESOLUTION OF THE UPPER SANTA CLARA VALLEY JOINT POWERS AUTHORITY
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$60,000,000 REFUNDING REVENUE
BONDS, SERIES 2011A (SANTA CLARITA WATER DIVISION), APPROVING THE
EXECUTION OF CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTS IN
CONNECTION THEREWITH**

WHEREAS, the Upper Santa Clara Valley Joint Powers Authority (the "Authority"), a joint exercise of powers authority duly organized and existing under and pursuant to the Constitution and laws of the State of California, has been requested to assist the Castaic Lake Water Agency (the "Agency") to undertake the refinancing of an interfund loan from the Agency's Wholesale Division to the Santa Clarita Water Division (the "Interfund Loan"); and

WHEREAS, the Board of Directors has determined to assist the Agency with the refinancing of the Interfund Loan and to approve certain documents in connection therewith;

NOW THEREFORE, the Board of Directors of the Upper Santa Clara Valley Joint Powers Authority hereby finds, determines, declares and resolves as follows:

1. The issuance of the Upper Santa Clara Valley Joint Powers Authority Refunding Revenue Bonds, Series 2011A (Santa Clarita Water Division) (the "2011A Bonds") in the principal amount not to exceed \$60,000,000 in order to refinance the Interfund Loan, and to pay the cost of issuance for the 2011A Bonds, is hereby approved.

2. The Installment Purchase Agreement in substantially the form on file with the Authority is hereby approved. The President, Vice President or Executive Director or the designee thereof are 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

3. The Indenture of Trust in substantially the form on file with the Authority is hereby approved. The President, Vice-President or Executive Director or the designee thereof are hereby authorized and directed to execute and deliver the Indenture of Trust with such changes, insertions and omissions as may be approved by the officers executing the same, said execution being conclusive evidence of such approval.

4. The Purchase Contract with Citigroup Global Markets Inc. in substantially the form on file with the Authority is hereby approved. The President, Vice-President or Executive Director or the designee thereof are 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 2011A Bonds exceed \$60,000,000, nor shall the underwriter's discount exceed 0.75 % of the principal amount of the 2011A Bonds.

5. The preparation and distribution of the Preliminary Official Statement (excepting therefrom Appendices A and B, the "Agency Portion") in substantially the form on file with the Secretary of the Board, is hereby approved, subject to final approval as to form by General Counsel and Special Counsel. The Executive Director is hereby authorized to sign a certificate

pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Authority Portion of the Preliminary Official Statement, and the President, Vice-President, Executive Director and Secretary are hereby authorized and directed to execute, approve and deliver the final Authority Portion of the Official Statement in the form of the Authority Portion of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by Special Counsel, said Agency officers' execution being conclusive evidenced of such approval. The Underwriter is hereby authorized to distribute copies of said Authority Portion of the Preliminary Official Statement to persons who may be interested in the initial purchase of the 2011A Bonds and is directed to deliver copies of any final Authority Portion of the Official Statement to all actual initial purchasers of the 2011A Bonds.

6. The Board of Directors hereby authorizes the Executive Director of the Authority to select a municipal bond insurer to insure payments of interest and principal on all or a portion of the 2011A Bonds so long as Fieldman, Rolapp & Associates, the Authority's financial advisor (the "Financial Advisor") determines that obtaining the municipal bond insurance policy provided thereby will result in a lower interest rate or yield to maturity on such 2011A Bonds. Stradling Yocca Carlson & Rauth, a Professional Corporation ("Special Counsel") is hereby directed to make all changes to the Installment Purchase Agreement, the Indenture of Trust and the Purchase Contract as are necessary to reflect the selection of a municipal bond insurer and the reasonable comments thereof.

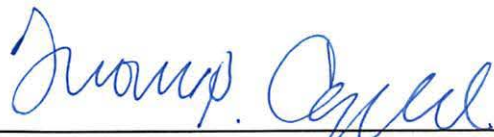
7. The President, Vice-President, Executive Director, Treasurer or Secretary and any other proper officer of the Authority are hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Indenture of Trust, the Installment Purchase Agreement, the Purchase Contract and this Resolution.

8. U.S. Bank National Association is hereby appointed to act as trustee under the Indenture.

9. 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.

This Resolution takes effect immediately.

Adopted this 13th day of July, 2011.



President of the Upper Santa Clara Valley Joint Powers Authority

ATTEST:



Secretary of the Upper Santa Clara Valley Joint Powers Authority

(SEAL)

I, the undersigned, hereby certify I am the duly appointed and acting Secretary of the Upper Santa Clara Valley Joint Powers Authority and at a regular meeting of the Board of Directors of said Agency held on Wednesday, July 13, 2011, the foregoing Resolution No. 2011-01 was duly and regularly adopted by said Authority, and that said resolution has not been rescinded or amended since the date of its adoption, and it is now in full force and effect.

DATED: July 13, 2011



April Jacobs, Secretary