

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 34

To be held at the OFFICE OF THE DISTRICT  
1955 Workman Mill Road, Whittier, California

*In response to concerns about the Novel Coronavirus (COVID-19), and in accordance with the provisions of California Government Code Section 54953(e), Directors will attend these meetings via teleconference.*

**To join the meeting, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. You may find further information at: <http://www.lacsd.org/agendas>**

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY		February 23, 2022		At 1:30 P.M.
CURTIS	EICH	DAVITT (Chairperson)	GUNTER	WALKER

1. Public Comment
2. Receive and Order Filed Certificate of City Council of La Cañada Flintridge
3. Approve Minutes of Adjourned Regular Meeting Held December 13, 2021
4. Approve October, November, and December 2021 Expenses in Amount of \$1,342.48

Summary: Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Allocated expenses represent the District's proportionate share of expenses made by District No. 2, the Administrative District, on its behalf pursuant to the Joint Administration Agreement. This Agreement provides for the joint administration and technical support for all of the signatory Districts along with the methodology for determining the proportionate costs for each District. A listing of Districts' payments and previously approved budgets can be found on the Districts' website at [lacsd.org/financial-documents](http://lacsd.org/financial-documents). This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Allocated Expenses:	
Joint Administration	\$1,342.48
Total Expenses	<u>\$1,342.48</u>

5. Approve *Resolution of the Board of Directors of County Sanitation District No. 34 of Los Angeles County Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency on March 4, 2020 by California Governor and Authorizing Remote Teleconference Meetings of the Legislative Body*

Summary: Remote teleconferenced meetings, during the continued existence of the Governor's proclaimed state of COVID-19 emergency, will be conducted under the provisions of AB 361 which added California Government Code Section 54953(e), to the Brown Act. Under the provisions of AB 361 and Government Code Section 54953(e), each District must adopt, by majority vote, a resolution making certain findings about the continuing COVID state of emergency and health and safety risks of conducting their meeting in person. By statute, this Resolution and its referenced findings, are only legally valid for 30 days. The Resolution is attached to the agenda.

6. Receive and Order Filed [Annual Comprehensive Financial Report](#) (ACFR) for Fiscal Year Ending June 30, 2021

Summary: Copies of the Districts' ACFR for the fiscal year ending June 30, 2021, which includes the annual audit required by state and federal laws, have been previously distributed to the Directors. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to protect financial and facility assets through prudent investment and maintenance programs.

7. Re: Issuance of Los Angeles County Sanitation Districts Financing Authority Revenue Bonds, 2022 Series A (Green Bonds) (SRF Loans Refunding)

(a) Adopt Resolution Approving Issuance of Bonds and Authorizing as Follows:

1. Execution and Delivery by District of [Master Obligation Agreement](#)

## 7. Contd.

2. Execution and Delivery by District of [Joint Acquisition Agreement](#) and [Bond Purchase Agreement](#) in Connection with Issuance of Bonds
  3. Distribution of [Preliminary Official Statement](#) and *Official Statement* in Connection Therewith
  4. Execution of Necessary Documents and Certificates and Related Actions
- (b) Approve Use of Standard and Poor's Financial Services LLC, at Cost of Approximately \$42,075, as Bond Rating Agency

**Summary:** In order to finance the Clearwater Tunnel Project, the Districts applied for low-cost loans from the State Water Resources Control Board's Clean Water State Revolving Fund (SRF) and the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program. In order to finalize these two loans, 42 existing SRF loans to the Joint Outfall System Districts must be refunded either by paying off with cash reserves or through the issuance of bonds. Staff recommends using cash reserves to pay off the existing loans with a remaining term of less than two years, low balances, or that have pre-paid interest (35 loans for a total of \$46 million). The remaining seven SRF loans (\$100 million) would be refunded with revenue bonds. These actions allow the Districts to move forward with finalizing the WIFIA and SRF loans for the Tunnel Project, which will save up to \$6 million per year compared to market-rate bond financing. The proposed Resolution includes approval of the necessary documents, direction to staff to distribute the documents, and authority for the Financing Authority to sell new revenue bonds on the Districts' behalf. The necessary extensive documents to be considered for the sale of the bonds are available at <https://www.lacsd.org/JOSbonds>. A letter discussing this issue accompanies the agenda. Approval of this does not constitute a "Project" as defined in California Public Resources Code Section 21065 as funds will be used to repay existing financial obligations. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to protect financial and facility assets through prudent investment and maintenance programs.

**Adjourn**

- Status Report:** Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.
- Public Comment:** Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board's authority. A "Request to Address Board of Directors" form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards' Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).
- Document Requests:** Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts' Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY SANITATION  
DISTRICT NO. 34 OF LOS ANGELES COUNTY PROCLAIMING A LOCAL EMERGENCY,  
RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY  
ON MARCH 4, 2020 BY CALIFORNIA GOVERNOR AND AUTHORIZING  
REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY

WHEREAS, the County Sanitation District No. 34 of Los Angeles County (“District”) is committed to preserving and nurturing public access and participation in meetings of the District’s Board of Directors and committees; and

WHEREAS, all meetings of the District’s Board of Directors are open and public, pursuant to the requirements of the Ralph M. Brown Act (California Government Code Sections 54950-54963) (the “Brown Act”), so that any member of the public may attend, participate, observe and watch the District’s Board of Directors conduct business; and

WHEREAS, the Brown Act, Section 54953(e), allows for conducting and participating in meetings by members of a legislative body, without compliance with the requirements of the Brown Act Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition under the Brown Act Section 54953(e) is the declaration of a state of emergency by the Governor pursuant to California Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within California caused by the conditions outlined and described in California Government Code Section 8558; and

WHEREAS, a proclamation of a state of emergency is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-induced disasters; and

WHEREAS, it is further required that the state or local officials have imposed or recommended measures to promote social distancing, or the Board of Directors of the District have held a meeting where it considered and determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, such conditions now exist in the District as Governor Newsom declared a State of Emergency on March 4, 2020 as a result of the threat of COVID-19; and

WHEREAS, the Centers for Disease Prevention and Control, in its publication “How to Protect Yourself & Others” updated August 13, 2021, have recommended social distancing practices, including staying 6 feet away from others and avoiding crowds and poorly ventilated spaces in order to protect individuals and others from COVID-19; and

WHEREAS, the County of Los Angeles Department of Public Health Order of the Health Officer issued September 17, 2021 (the “County Order”) includes a finding that the existing community transmission of COVID-19 in Los Angeles County remains high and continues to present a high risk of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19 especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings. The County Order further finds that COVID-19 infection remains a significant health hazard to all residents; and

WHEREAS, the District’s Board of Directors does hereby find that the ongoing and significant risks associated with COVID-19 infection, especially in the absence of capacity limits and physical distancing requirements for indoor activities, on those who are not and cannot be vaccinated, and that COVID-19 infection remains a significant health hazard to all residents, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of a state of emergency by the Governor of the State of California, and further, ratify the County Order findings related to the ongoing health hazards of COVID-19; and

WHEREAS, as a consequence of the declared state of emergency and the local emergency, the Board of Directors of the District does hereby find that the District shall continue to conduct its meetings in accordance with the provisions and requirements of the Brown Act Section 54953(e), and that the legislative

bodies of the District shall comply with the requirements to provide the public with access to, and an opportunity to comment at all meetings of the District's legislative bodies in accordance with the requirements of the Brown Act Section 54953(e)(2); and

WHEREAS, the District will continue its practice of live streaming its meetings via the Zoom software platform which allows members of the public to observe and participate in the meetings via video or call-in options, and will continue to offer members of the public an opportunity to make oral comments during the meetings and/or submit written comments before the meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 34 OF LOS ANGELES COUNTY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true, correct, and are incorporated in this Resolution by reference.

Section 2. Proclamation of Local Emergency. The Board of Directors of the District does hereby proclaim that a local emergency now exists throughout the territory of the District and, as described in the County Order, there remains evidence of sustained and high community transmission rates of COVID-19 resulting in high risks of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19, especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings, and COVID-19 infection remains a significant health hazard to all residents of the District.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The District's Board of Directors hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Chief Engineer and General Manager, staff and legislative bodies are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, without limitation, conducting open and public meetings in accordance with the Brown Act Section 54953(e) and all other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days after the date of this resolution, or such time that the District's Board of Directors adopts a subsequent resolution in accordance with the Brown Act Section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with the requirements of the Brown Act Section 54953(b)(3).

PASSED AND ADOPTED by the Board of Directors of the County Sanitation District No. 34 of Los Angeles County this 23<sup>rd</sup> day of February 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chairperson



February 4, 2022

Board of Directors  
Joint Outfall Districts  
Los Angeles County Sanitation Districts

Directors:

### **Proposed 2022 Revenue Bond Sale**

In order to finance the Clearwater Tunnel Project, the Districts applied for low-cost loans from the State Water Resources Control Board's (State Board's) SRF program and the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program. Both agencies have approved partial funding for the project based on the initial applications (approximately \$127 million and \$440 million, respectively). Since the approval of the applications, Districts staff and legal counsel has been working with both agencies to finalize loan agreements.

One of the more challenging aspects of this process has been revising agreements for 42 existing JOS SRF loans to ensure consistency with the new loans' requirements. Revising the agreements will require at least 6 months of additional work by Districts' bond counsel and State Board legal staff.

On November 15, 2021, the federal government passed an infrastructure funding package that included strict Buy American (BA) requirements that apply to projects funded by either the WIFIA or SRF programs. The BA requirements would be applicable to projects with loan agreements finalized after May 14, 2022 regardless of their construction status. Because construction has already begun on the tunnel project and materials have already been purchased, it is impossible to comply with these strict requirements, and therefore the WIFIA and SRF loan agreements must be finalized by May 14 to obtain this financing.

It is not possible to revise the existing JOS SRF loan agreements in time to meet the May 14 deadline. As a result, Districts' staff is recommending paying off or refunding all of the existing JOS SRF Loans. Staff recommends using cash reserves to pay off all loans with a remaining term of less than 2 years, low balances, or that have pre-paid interest (35 loans for a total of \$46 million). The remaining 7 SRF loans (\$100 M) would be refunded with revenue bonds. These actions allow the Districts to move forward with finalizing the WIFIA and SRF loans for the Tunnel project, which will save up to \$6 million per year compared to market-rate bond financing.

Interest rates are now at historic lows and savings can be realized by refinancing the loan principal still outstanding by issuing bonds at a lower interest rate. The loans can be paid off at any time without penalty. Therefore, it is recommended that the District authorize issuing new bonds to pay off the loans. The size of the proposed bond issuance will be approximately \$100 million and will have an interest rate (true interest cost) of approximately 2.0%.

The proposed bonds will be issued and sold by the Los Angeles County Sanitation Districts' Financing Authority, a joint powers authority that was established in 1993 for selling bonds on behalf of the member Districts. The membership consists of all of the active Districts and is governed by a commission consisting of the Chairs of each member District. Each participating District will enter into a separate agreement (the "Joint Acquisition Agreement") with the Financing Authority for the 2022 bonds.

The proposed bonds and the District's ability to repay them must be submitted to a rating agency (Standard & Poor's) for their evaluation. The resulting rating will, in large part, determine the interest rate at which the bonds can be sold. The primary vehicle for submitting this data is the Preliminary Official Statement, a copy of which is included.

To complete the transaction, the District Boards must first authorize the sale of the bonds. This is done through the resolution that is on the upcoming Board meetings. The resolution approves the issuance of the proposed bonds and the form of the Indenture pursuant to which the proposed bonds will be issued and authorizes: the execution of a Master Obligation Agreement, a Joint Acquisition Agreement, and a Bond Purchase Agreement; distribution of the preliminary and an official statements; and execution of necessary documents, certificates and related actions. A resolution is used because the official documents cannot be finalized until after the pricing is complete. The resolution authorizes the Chairperson of the Board of Directors, the Chairperson Pro Tem of the Board of Directors, the Chief Engineer and General Manager of the District, and the Assistant Chief Engineer and Assistant General Manager of the District to sign the final documents after the close of pricing. The Board action also approves the use Standard and Poor's Financial Services LLC as rating agency.

The contents of the necessary documents are summarized below, and the complete documents are provided at <https://www.lacsd.org/JOSbonds>.

- Preliminary Official Statement – This document is equivalent to a prospectus that would be issued when buying or selling stock. It contains general information about the Districts, provides specific historic and projected financial data, gives information on the size of the proposed bond transaction and intended uses of the proceeds, and summarizes the requirements of the other bond documents.
- Master Obligation Agreement – This agreement sets terms and conditions for the incurrence of debt obligations for the Districts. It will be used as a sort of inter-creditor agreement to provide assurances to future debt holders and ensure consistency with future agreements.
- Joint Acquisition Agreement – Through this agreement, the Financing Authority agrees to issue bonds on behalf of the Districts. In return, the Districts covenants to make the debt service payments on behalf of the Financing Authority. As part of its covenants, the Districts agrees to set appropriate service charge rates and to provide continuing disclosure. It also establishes the parameters under which the Districts can undertake additional debt (either bonds or loan).
- Indenture – This agreement is between the Financing Authority and the Trustee (a third party acting on behalf of the bond holders). The Indenture establishes the accounting practices that must be used and creates a flow of funds to ensure that the bondholders are repaid in a timely and orderly fashion.
- Bond Purchase Agreement – This agreement is between the Districts, the Financing Authority and the underwriters. The agreement requires the underwriters to purchase the bonds from the District for resale to the public and requires the Districts, through the Financing Authority, to make the bonds available to the underwriters.

As stated above, this matter will be on the agenda of the upcoming Board meetings and will be discussed with the Directors.

Very truly yours,



Robert Ferrante

RF:av

Enclosures

**RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 34 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A MASTER OBLIGATION AGREEMENT, AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A JOINT ACQUISITION AGREEMENT AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF LOS ANGELES COUNTY SANITATION DISTRICTS FINANCING AUTHORITY REVENUE BONDS, 2022 SERIES A (GREEN BONDS) (SRF LOANS REFUNDING), APPROVING THE ISSUANCE OF SAID BONDS AND THE FORM OF THE INDENTURE PURSUANT TO WHICH THE SAME ARE TO BE ISSUED, AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

**WHEREAS**, County Sanitation District No. 34 of Los Angeles County (the “District”) and certain other County Sanitation Districts of Los Angeles County (collectively, the “MOA Districts”) desire to establish the terms and conditions for the incurrence by each MOA District from time to time of obligations of such MOA District to finance or refinance the acquisition, construction, equipping and improvement of such MOA District’s sewerage system and other items with respect thereto that such MOA District may lawfully finance or refinance (“Projects”);

**WHEREAS**, there has been prepared a form of a Master Obligation Agreement, by and among the MOA Districts and Zions Bancorporation, National Association, as master trustee, which sets forth such terms and conditions for the incurrence by each MOA District from time to time of obligations of such MOA District to finance or refinance Projects of such MOA District (such Master Obligation Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Master Obligation Agreement”);

**WHEREAS**, certain of the County Sanitation Districts of Los Angeles County, including the District, commonly referred to as the Joint Outfall Districts (the “Districts”), financed certain capital additions, replacements, betterments, extensions and improvements to their respective sewerage systems with proceeds of loans evidenced by (a) Loan Contract (Contract No. 09-857-550; Project No. 5539-110), by and among the Districts and the State Water Resources Control Board, (b) Loan Contract (Contract No. 13-811-550; Project No. 5892-110), by and among the Districts and the State Water Resources Control Board, (c) Loan Contract (Contract No. 12-832-550; Project No. 7694-110), by and among the Districts and the State Water Resources Control Board, (d) Loan Contract (Contract No. D16-01011; Project No. 8189-110), by and among the Districts and the State Water Resources Control Board, (e) Loan Contract (Contract No. D16-01012; Project No. 8204-110), by and among the Districts and the State Water Resources Control Board, (f) Loan Contract (Contract No. D16-01013; Project No. 8205-110), by and among the Districts and the State Water Resources Control Board and (g) Loan Contract



(Contract No. D17-01016; Project No. 8226-110), by and among the Districts and the State Water Resources Control Board (the “State Loans”);

**WHEREAS**, in order to achieve certain savings, each District desires to prepay its respective share of each of the State Loans;

**WHEREAS**, the Districts desire that the Los Angeles County Sanitation Districts Financing Authority (the “Authority”) assist the Districts in financing the prepayment of the State Loans;

**WHEREAS**, in order to provide funds to prepay the State Loans, the Districts and the Authority desire that the Authority issue its Los Angeles County Sanitation Districts Financing Authority Revenue Bonds, 2022 Series A (Green Bonds) (SRF Loans Refunding) (the “Bonds”);

**WHEREAS**, the Bonds will be issued pursuant to an Indenture by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Indenture”);

**WHEREAS**, the Bonds will be payable from and secured by installment payments (the “Installment Payments”) to be made by each District pursuant to a Joint Acquisition Agreement by and among the Districts and the Authority (such Joint Acquisition Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Joint Acquisition Agreement”);

**WHEREAS**, all of the Authority’s right, title and interest in and to the Joint Acquisition Agreement (other than such rights of the Authority that are, as provided in the Indenture, retained by the Authority) will, pursuant to the Indenture, be assigned and transferred to the Trustee;

**WHEREAS**, the rights and obligations of each District under and as provided in the Joint Acquisition Agreement and the Installment Payments of such District, and the rights and obligations of the Trustee, as assignee of the Authority, under and as provided in the Joint Acquisition Agreement and the Installment Payments, will, in all respects, be subject to the rights and obligations of, and the restrictions and limitations on, such District and the Trustee, as assignee of the Authority, under and as provided in the Master Obligation Agreement;

**WHEREAS**, BofA Securities, Inc. (the “Representative”), on behalf of itself and J.P. Morgan Securities LLC, has presented the Authority and the Districts with a form of Bond Purchase Agreement, pursuant to which the Representative proposes to purchase the Bonds (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Purchase Agreement”);

**WHEREAS**, a form of the Preliminary Official Statement to be distributed in connection with the offering and sale of the Bonds has been prepared, which Preliminary Official Statement contains certain information regarding the District, the Master Obligation Agreement, the Joint Acquisition Agreement, the Indenture and the Bonds (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”);



**WHEREAS**, there have been prepared and submitted to this meeting forms of;

- (a) the Master Obligation Agreement;
- (b) the Joint Acquisition Agreement;
- (c) the Indenture;
- (d) the Purchase Agreement; and
- (e) the Preliminary Official Statement; and

**WHEREAS**, the Board of Directors of the District (the “Board of Directors”) desires to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the prepayment of the State Loans and the offering, sale and issuance of the Bonds;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of County Sanitation District No. 34 of Los Angeles County, as follows:

**Section 1.** All of the recitals herein contained are true and correct and the Board of Directors so finds and determines.

**Section 2.** The Master Obligation Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Chairperson of the Board of Directors, the Chairperson *Pro Tem* of the Board of Directors, or such other member of the Board of Directors as the Chairperson may designate, the Chief Engineer and General Manager of the District and the Assistant Chief Engineer and Assistant General Manager of the District (each, an “Authorized Officer”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Master Obligation Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3.** The Joint Acquisition Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Joint Acquisition Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that such changes, insertions and omissions shall not result in the aggregate principal amount of Bonds payable from the Installment Payments payable by the District under the Joint Acquisition Agreement initially being in excess of \$0, shall not result in the final scheduled payment date of the Installment Payments payable by the District under the Joint Acquisition Agreement being later than October 1, 2032 and shall not result in a true interest cost attributable to the Installment

Payments payable by the District under the Joint Acquisition Agreement being in excess of 2.00% per annum.

**Section 4.** The Indenture, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and the issuance of the Bonds on the terms and conditions set forth therein, and subject to the limitations specified therein, is hereby approved; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$100,000,000, the final maturity date of the Bonds shall not be later than October 1, 2032 and the true interest cost for the Bonds shall not be in excess of 2.00% per annum.

**Section 5.** The Purchase Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriters' discount for the sale of the Bonds (exclusive of any original issue discount) shall not exceed 0.25% of the initial aggregate principal amount of the Bonds.

**Section 6.** The information regarding the District, the Master Obligation Agreement, the Joint Acquisition Agreement, the Indenture and the Bonds contained in the Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the distribution of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. If determined by the Authority to be necessary or appropriate, the Authorized Officers are hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule).

**Section 7.** The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute the final Official Statement and any amendment or supplement thereto, for and in the name of the District.

**Section 8.** The Board of Directors hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.

**Section 9.** The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name and on behalf of the District to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments that they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 10.** All actions heretofore taken by the Authorized Officers and the officers and employees of the District with respect to the prepayment of the State Loans and the issuance and sale of the Bonds, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

**Section 11.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Directors of County Sanitation District No. 34 of Los Angeles County on February 23, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chairperson

ATTEST:

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Secretary