

BOARD OF SUPERVISORS OF THE  
COUNTY OF SAN MATEO ACTING AS  
GOVERNING BOARD OF THE  
SAN MATEO COUNTY FLOOD CONTROL DISTRICT  
RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING FORMS OF AND EXECUTION OF AN INSTALLMENT PAYMENT AGREEMENT, A TRUST AGREEMENT, A PURCHASE CONTRACT AND A CONTINUING DISCLOSURE AGREEMENT; APPROVING EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION; APPROVING FORM OF AND DISTRIBUTION OF AN OFFICIAL STATEMENT FOR SAID CERTIFICATES OF PARTICIPATION; AND AUTHORIZING TAKING OF NECESSARY ACTIONS AND EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES.

WHEREAS, the San Mateo County Flood Control District (the "District") proposes to acquire and construct certain improvements to the flood control system in the Colma Creek Flood Control Zone of the District (the "2004 Project");

WHEREAS, the San Mateo County Joint Powers Financing Authority (the "Authority") has agreed to assist the District by financing the acquisition and construction of the 2004 Project for the District;

WHEREAS, the Authority proposes to sell the 2004 Project to the District and the District desires to purchase the 2004 Project from the Authority upon the terms and conditions set forth in an agreement, entitled "Installment Payment Agreement" (the "Installment Payment Agreement");

WHEREAS, under the Installment Payment Agreement, the District will be obligated to make installment payments to the Authority;

WHEREAS, it is proposed that the Authority, the District and U.S. Bank National Association, as trustee (the "Trustee") enter into a trust agreement (the "Trust Agreement"), pursuant to which all rights to receive such installment payments will be assigned without recourse by the Authority to the Trustee and the Trustee will execute and deliver certificates of participation (the "Certificates") in an amount equal to the aggregate principal components of such payments, each evidencing and representing a proportionate, undivided interest in such payments, and will use the proceeds to finance the acquisition and construction of the 2004 Project;

WHEREAS, the District has previously caused the execution and delivery of the 1997 Certificates of Participation (Colma Creek Flood Control District) (the "1997

Certificates”) for the purpose of financing certain improvements to its flood control system and the Certificates will be parity obligations to the 1997 Certificates;

WHEREAS, this Board hereby determines that it would be in the best interest of the District for the District to enter into an agreement, entitled “Purchase Contract” (the “Purchase Contract”), pursuant to which Citigroup Global Markets Inc. (the “Underwriter”) will purchase the Certificates;

WHEREAS, California Financial Services, Inc., the financial advisor of the District, will solicit bond insurance companies for commitments with respect to the Certificates and surety bonds for funding the reserve requirement with respect to the Certificates;

WHEREAS, a form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) is on file with the Clerk of the Board;

WHEREAS, a form of Official Statement describing the Certificates is on file with the Clerk of the Board;

WHEREAS, this Board has been presented with the form of each document hereinafter referred to relating to the Certificates, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing;

WHEREAS, the District has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the San Mateo County Flood Control District, as follows:

Section 1. The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District and that the statements, findings and determinations of the District set forth above are true and correct. The District hereby finds and declares that the actions authorized hereby will result in significant public benefits and, for purposes of Government Code Section 6586.5, are for the purpose of financing facilities for the production, storage, transmission or treatment of water, recycled water or wastewater.

Section 2. The form of Installment Payment Agreement by and between the Authority and the District, on file with the Clerk of the Board, is hereby approved and the President of the Board and the Clerk of the Board are hereby authorized and directed to execute and deliver the Installment Payment Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate

principal component of installment payments payable under the Installment Payment Agreement shall not exceed \$11,000,000, the maximum annual installment payments payable under the Installment Payment Agreement shall not exceed \$1,600,000, the term of the Installment Payment Agreement shall not exceed August 1, 2040 and the true interest cost ("TIC") of the interest component of installment payments payable under the Installment Payment Agreement shall not exceed 6.5%.

Section 3. The form of Trust Agreement by and among U.S. Bank National Association, as trustee, the Authority and the District, on file with the Clerk of the Board, is hereby approved. The President of the Board and the Clerk of the Board are hereby authorized and directed to execute and deliver the Trust Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The form of Purchase Contract by and between the Underwriter and the District on file with the Clerk of the Board, is hereby approved. The County Manager, on behalf of the District, or his designee, is hereby authorized and directed to execute and deliver the Purchase Contract in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof and pursuant thereto to sell not to exceed \$11,000,000 aggregate principal amount of Certificates to the Underwriter for the purchase price set forth in the Purchase Contract, said price to be not less than the principal amount of the Certificates less an underwriting discount of not exceeding 2% (exclusive of any original issue discount or premium).

Section 5. The form of Official Statement describing the Certificates, on file with the Clerk of the Board, is hereby approved. The County Manager, on behalf of the District, or his designee, is hereby authorized and directed to execute and deliver a final Official Statement in substantially said form, with such additions thereto or changes therein as the County Counsel's Office may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Underwriter is hereby authorized to distribute copies of the Official Statement to persons purchasing the Certificates and other interested parties. The distribution of the Preliminary Official Statement by the Underwriter is hereby authorized and approved. The County Manager, on behalf of the District, or his designee, is hereby authorized and directed to execute a certificate confirming that the Preliminary Official Statement has been "deemed final" by the District for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 7. The execution and delivery, pursuant to the Trust Agreement, of not to exceed \$11,000,000 aggregate principal amount of the Certificates, evidencing and representing proportionate undivided interests in the rights to receive installment payments payable by the District pursuant to the Installment Payment Agreement, payable in the years and in the amounts with interest components with respect thereto as specified in the Trust

Agreement as executed, is hereby authorized and approved. The sale of the Certificates to the Underwriter pursuant to the terms and conditions of the Purchase Contract is hereby approved.

Section 8. The form of Continuing Disclosure Agreement by and between the District and the Trustee, on file with the Clerk of the Board, is hereby approved. The County Manager, on behalf of the District, or his designee, is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. The County Manager, on behalf of the District, or his designee, upon a determination that the best interests of the District will be served, is hereby authorized to accept a commitment from a bond insurance company to issue a financial guaranty insurance policy with respect to the Certificates and/or a commitment to issue a debt service reserve surety bond with respect to the reserve requirement and to execute and deliver the documents required with respect thereto.

Section 10. The officers of the District are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. The President of the Board, the Clerk of the Board, the County Manager, on behalf of the District, or his designee, and the other officers of the District are hereby authorized and directed to execute and deliver any and all certificates and representations, signature certificates, no-litigation certificates, tax and rebate certificates, the letter of representations to The Depository Trust Company and certificates concerning the contents of the Official Statement distributed in connection with the sale of the Certificates, necessary and desirable to accomplish the transactions set forth above.

Section 11. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Certificates are hereby approved and confirmed.

Section 12. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this \_\_\_ day of \_\_\_\_\_, 2004.

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President of the Board

ATTEST:

By \_\_\_\_\_  
Clerk of the Board

CLERK'S CERTIFICATE

I, \_\_\_\_\_, Clerk of the Board of the San Mateo County Flood Control District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of said District duly and regularly held at the regular meeting place thereof on the \_\_\_ day of \_\_\_\_\_, 2004, of which meeting all of the members of said Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

An agenda of said meeting was posted at least 72 hours before said meeting at \_\_\_\_\_, Redwood City, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and 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.

WITNESS my hand and the seal of the San Mateo County Flood Control District this \_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Clerk of the Board

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION WAIVING THE REQUEST FOR PROPOSALS PROCESS AND  
AUTHORIZING THE EXECUTION OF AGREEMENTS WITH ORRICK, HERRINGTON  
& SUTCLIFF, LLP AND CALIFORNIA FINANCIAL SERVICES**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, the San Mateo County Flood Control District presently contemplates the issuance of Certificates of Participation (COP's) by the San Mateo County Joint Powers Financing Authority (the "Authority"); and

**WHEREAS**, it is contemplated that the County will issue, or cause to be issued and sell one or more issues of COP's to finance the Project; and

**WHEREAS**, the County desires to retain Bond Counsel to perform legal services in connection with the COP's and to retain a Financial Advisor to perform the financial consulting services in connection with the COP's; and

**WHEREAS**, it is in the best interest of the County to waive the Request for Proposal process and contract with these firms; and

**WHEREAS**, there has been presented to the Board of Supervisors for its consideration and acceptance agreements, references to which is hereby made for further particulars, whereby Orrick, Herrington & Sutcliff, LLP would act as Bond Counsel and California Financial Services would act as Financial Advisor; and

**WHEREAS**, this Board has examined and approved same as to both form and content and desires to enter into the contracts.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board of Supervisors be, and is hereby authorized and directed to waive the Request for Proposal process and the President of the Board of Supervisors is hereby authorized to execute the agreements with Orrick, Herrington & Sutcliff, LLP and with California Financial Services for and on behalf of the County of San Mateo and the Clerk of this Board shall attest the President's signature thereto.

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