

RESOLUTION NO. 1848

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT MORE THAN \$110,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS OF THE METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY, FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; AUTHORIZING THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; AND RELATED MATTERS.

WHEREAS, the Board of Trustees (the "*Board*") of the Metropolitan Water District of Salt Lake & Sandy (the "*District*") considers it desirable and necessary and for the benefit of the District to issue its water revenue bonds (the "*Bonds*") for the purpose of refunding all or part of one or more of the District's Water Revenue Refunding Bonds, Series 2008B-3 and Water Revenue Refunding Bonds, Series 2009B-5 (collectively, the "*Refunded Bonds*");

WHEREAS, the Board hereby finds and determines that the issuance of the Bonds for the purpose described above will achieve debt service savings, reduce certain market risks, and/or reduce debt service reserves; and

WHEREAS, the Board now desires to publish a Notice of Bonds to Be Issued pursuant to Section 11-27-4, Utah Code Annotated 1953, as amended;

NOW, THEREFORE, Be It Resolved by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy, as follows:

Section 1. Bonds to Be Issued. The Board hereby finds and determines that it is desirable and necessary and for the benefit of the District for it to issue, in one or more series for the purpose of refunding the Refunded Bonds, providing any necessary reserves, and paying certain costs of issuing the Bonds and refunding the refunded bonds, not more than \$110,000,000 aggregate principal amount of its water revenue bonds, to mature in not more than 30 years from their date or dates, to bear interest at a rate or rates not to exceed 15% per annum, and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed 2%, all in accordance with and pursuant to the provisions of (1) a Master Resolution Providing for the Issuance of Water Revenue Bonds, adopted April 29, 2002, as amended and supplemented (the "*Master Resolution*"), a copy of which is attached as *Annex 1*, and (2) one or more Supplemental Resolutions (collectively, the "*Supplemental Resolution*") supplementing the Master Resolution, to be adopted at a future date, a draft of which is attached as *Annex 2*, and the Board hereby declares its intention to issue the Bonds according to the provisions of this section.

Section 2. Authorization. The Board hereby authorizes and approves the issuance of the Bonds to refund the Refunding Bonds, satisfy a debt service reserve requirement, and pay certain interest rate swap termination fees and other costs of issuance of the Bonds, pursuant to the provisions of this Resolution, the Master Resolution and the Supplemental Resolution; *provided* that the principal amount, interest rate or rates, maturity or maturities, and discount shall not exceed the maximums set forth in Section 1 hereof.

Section 3. Publication of Notice of Bonds to Be Issued. In accordance with the provisions of Section 11-27-4, Utah Code Annotated 1953, as amended, the Clerk of the District (the "*Clerk*") shall cause the following Notice of Bonds to Be Issued to be published one time in the *Deseret News* and *The Salt Lake Tribune*, newspapers of general circulation in the District, and shall cause a copy of this Resolution, together with the annexes thereto, to be kept on file in the office of the Clerk for public examination during the regular business hours of the Clerk for at least 30 days after the date of such publication. The Notice of Bonds to Be Issued shall be in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of Section 11-27-4, Utah Code Annotated 1953, as amended, that on March 28, 2011, the Board of Trustees (the "*Board*") of the Metropolitan Water District of Salt Lake & Sandy (the "*District*") adopted a resolution (the "*Resolution*") in which it authorized the issuance of one or more series of the District's water revenue bonds (the "*Bonds*") in an aggregate principal amount of not to exceed \$110,000,000, to mature in not more than 30 years from their date or dates, to bear interest at a rate or rates not to exceed 15% per annum, and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed 2%.

The Bonds are to be issued and sold by the District pursuant to (1) the Resolution, (2) a Master Resolution Providing for the Issuance of Water Revenue Bonds, adopted April 29, 2002, as amended and supplemented (the "*Master Resolution*"), and (3) one or more Supplemental Resolutions supplementing the Master Resolution to be adopted at a future date (collectively, the "*Supplemental Resolution*"). The form of the Supplemental Resolution, in substantially final form, and a copy of the Master Resolution were attached to the Resolution at the time of the adoption of the Resolution. The Supplemental Resolution will be adopted by the Board at a future date prior to the issuance of the Bonds in substantially the form attached to the Resolution, with such changes thereto as shall be approved by the Board upon the adoption of the Supplemental Resolution, *provided* that the principal amount, interest rate or rates, maturity or maturities and discount will not exceed the maximums set forth above.

The Bonds are to be issued for the purpose of (a) refunding all or part of one or more of the District's Water Revenue Refunding Bonds, Series 2008B-3 and Water Revenue Refunding Bonds, Series 2009B-5 of the District, (b) providing any necessary reserves and (c) paying certain costs of issuing the Bonds and refunding the refunded bonds, all as set forth in the Resolution, the Supplemental Resolution, and the Master Resolution.

A copy of the Resolution (including the Master Resolution and a draft of the Supplemental Resolution) is on file in the office of the Clerk of the District, located at 3430 East Danish Road, Cottonwood Heights, Utah, where it may be examined during regular business hours of the Clerk from 8:00 a.m. to 4:00 p.m., Monday through Thursday. The Resolution (including the Master Resolution and a draft of the Supplemental Resolution) shall be so available for inspection for a period of at least 30 days from and after the date of the publication of this notice.

NOTICE IS FURTHER GIVEN that pursuant to law for a period of 30 days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the above-described Resolution (including the Master Resolution and the Supplemental Resolution) of the Board, or the Bonds or any provisions made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause.

DATED this 28th day of March, 2011.

METROPOLITAN WATER DISTRICT OF SALT
LAKE & SANDY

By _____
Clerk

Section 4. Contestability. For a period of 30 days after publication of the Notice of Bonds to Be Issued, any person in interest shall have the right to contest the legality of the resolutions pursuant to which the Bonds are to be issued, or of the Bonds thereby authorized or any provisions made for the security and payment of the Bonds. After such time, no person shall have any cause of action to contest the regularity, formality or legality of the resolutions or the Bonds for any cause whatsoever.

Section 5. Ratification. All proceedings, resolutions and actions of the District and its officers taken in connection with the sale and issuance of the Bonds are hereby ratified, confirmed and approved.

Section 6. Severability. It is hereby declared that all parts of this Resolution are severable, and if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining provisions, paragraphs, clauses or provisions of this Resolution.

Section 7. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed that are in conflict with any of the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 8. Captions. The captions or headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 9. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

PASSED and APPROVED by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy, this 28th day of March, 2011.

METROPOLITAN WATER DISTRICT OF SALT
LAKE & SANDY

By _____
Chair, Board of Trustees

ATTEST:

By _____
Clerk

[SEAL]

BOARD MEMBER	VOTE
John S. Kirkham	_____
Tom Godfrey	_____
Lee Kapaloski	_____
Donald Y. Milne	_____
Kathy W. Loveless	_____
David L. Buhler	_____
Patricia Comarell	_____

ANNEX 1

[MASTER RESOLUTION]

ANNEX 2

[SUPPLEMENTAL RESOLUTION]