

FILED

MAY 29 1981

Maitha Kanner
Clerk, Colusa County

PRINCETON WATERWORKS DISTRICT

RESOLUTION NO. 1-81

RESOLUTION CALLING A SPECIAL REVENUE BOND ELECTION IN PRINCETON WATERWORKS DISTRICT FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS OF THE DISTRICT THE MEASURE OF ISSUING REVENUE BONDS UNDER THE REVENUE BOND LAW OF 1941 IN THE PRINCIPAL AMOUNT OF \$168,500 TO PROVIDE FUNDS FOR THE IMPROVEMENT OF THE DISTRICT WATER SYSTEM; DECLARING THE ESTIMATED COST OF SAID IMPROVEMENT, THE PRINCIPAL AMOUNT OF THE REVENUE BONDS TO BE ISSUED THEREFOR AND THE MAXIMUM RATE OF INTEREST TO BE PAID ON SUCH REVENUE BONDS; FIXING THE DATE OF SAID ELECTION, THE MANNER OF HOLDING THE SAME AND THE MANNER OF VOTING FOR OR AGAINST THE ISSUANCE OF SAID REVENUE BONDS; AND PROVIDING FOR NOTICE OF SAID ELECTION

WHEREAS, the Board of Directors (the "Board") of Princeton Waterworks District (the "District") has duly determined that the public interest and necessity demand the improvement of the water system of the District, and has further duly determined that such improvement should be financed by the issuance of revenue bonds under the Revenue Bond Law of 1941;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Princeton Waterworks District, as follows:

Section 1. A special revenue bond election shall be and is hereby ordered and will be held in the District on Tuesday, August 18, 1981, at which election there shall be submitted to the qualified voters of the District the measure of issuing revenue bonds under the Revenue Bond Law of 1941 for the purpose of providing funds for the improvement of the water system of the District, as set forth in the following measure, to wit:

MEASURE (A):	Shall Princeton
(Water System	Waterworks District
Improvement -	be authorized to
Revenue Bonds)	issue revenue bonds
	in the principal
	amount of \$168,500
	pursuant to
the Revenue Bond Law of 1941 to provide funds	
for the improvement of the water system of the	
District, comprising new water mains, valves,	
service connection and meters and the	
rehabilitation of existing wells, together	
with necessary lands and easements therefor	
and necessary street patching therefor, and	
all other works, property or structures	
necessary or convenient for the improvement of	
the water system of Princeton Waterworks	
District?	

Section 2. (a) The estimated cost of said improvement is \$428,100 and the principal amount of revenue bonds proposed to be issued therefor is \$168,500. It is contemplated by the District that the difference between the estimated cost of said improvement and the amount of the revenue bonds to be issued therefor will be provided by grants from the United States of America and/or the State of

California, but the District reserves the right in its discretion to provide otherwise for the payment of said difference, or if any of such moneys over and above the amount to be realized from the proceeds of the sale of said revenue bonds are not available, then to reduce the cost of said improvement to the actual amount to be realized from the proceeds of the sale of said revenue bonds together with funds actually available for said improvement, and said estimated cost herein set forth shall not be deemed to constitute a limitation or condition upon the issuance of any of said revenue bonds.

(b) Said estimated cost includes all costs and estimated costs incidental to or connected with said improvement, together with all engineering, appraisal, inspection and legal and fiscal agent's fees, costs of the bond election and of the issuance of said revenue bonds, and bond reserve funds and working capital and bond interest estimated to accrue during the period of construction and for a period of not to exceed twelve (12) months after completion of construction. The enterprise for the improvement of which said revenue bonds shall be issued under the Revenue Bond Law of 1941 is hereby defined to be the whole and each and every part of the water system of the District, and all facilities hereafter acquired or constructed for said water system, and all additions, betterments, extensions and improvements to said water system or any part thereof hereafter made or

acquired by contract, purchase, condemnation or otherwise for said purpose. It is hereby found and determined that the District now owns and operates a water system, that the public interest and necessity require that the District improve said water system, that the improvement set forth in said measure will constitute an integral part of said water system and the same shall be operated as a single unified and integrated water system, that the District has no means of financing the local cost of said improvement except by the issuance and sale of said \$168,500 principal amount of revenue bonds, that the net revenues from said water system as so improved shall be pledged to the payment of the revenue bonds proposed to be issued for the foregoing purpose, and that said water system, when improved as aforesaid, will constitute a complete water system for the District. It is hereby found and determined that the construction of said improvement to said water system is necessary to enable the District to exercise its public powers and functions, namely, to furnish sufficient water service for any present or future beneficial use of the District.

Section 3. The Board proposes to issue and sell revenue bonds in not to exceed the amount and for the object and purpose specified in said measure if a majority of all the voters voting on said measure at said special revenue bond election shall vote in favor of said measure. The rate of interest to be paid on said revenue bonds shall not exceed

ten per cent (10%) per annum, payable annually or semiannually (as the Board, in its discretion, shall determine at the time of sale of any of said revenue bonds), and said issue of revenue bonds shall be revenue bonds payable exclusively from the net revenues of said enterprise for the improvement of which the same are authorized and are not and shall not be secured by the taxing power of the District, and shall be issued under the Revenue Bond Law of 1941. The principal of and interest on said revenue bonds, and any premiums upon the redemption of any thereof, are not and shall not constitute a debt of the District, nor a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon any of its income, receipts or revenues, except the net revenues of said enterprise legally available for such purpose. No taxes shall ever be levied or collected by the District for the payment of any of said revenue bonds or the interest thereon, nor shall any property of the District be subject to forfeiture therefor; but all net revenues of said enterprise legally available for the payment of said revenue bonds shall be applied to such payment. Said issue of revenue bonds, if authorized, shall be special obligations of the District and shall be secured by a pledge of and shall be a charge upon and shall be payable, as to the principal thereof, interest thereon and any premiums upon the redemption of any thereof, solely from and secured by a lien upon the net revenues of said enterprise, and all the net

revenues of said enterprise shall be pledged and assigned as security for all said revenue bonds. If the necessary and reasonable maintenance and operation costs of said enterprise (which costs include the reasonable expenses of management, repair and other expenses necessary to maintain and preserve said enterprise in good repair and working order) are paid when due, and if the interest on and principal of all said revenue bonds and all charges to protect or secure them are paid when due (including such sums for sinking funds, redemption funds, reserve funds or other funds created for the better securing of any of said revenue bonds as may be provided for in the discretion of the Board in its resolutions providing for the issuance of any of said revenue bonds), then the remaining surplus may (subject to any limiting covenants in the resolutions of the Board providing for the issuance of any of said revenue bonds) be used for any lawful purpose of the District; provided that all maintenance and operation costs of said enterprise shall be paid from said revenues prior to paying the principal of and interest on any of said revenue bonds and prior to paying any sums for security funds which may be established by the Board in said resolutions. The Board may, subject to the provisions of the Revenue Bond Law of 1941, provide for the issuance of additional revenue bonds for the purpose of the

further improvement of said enterprise, or making any additions, betterments or extensions thereto, on a parity with the revenue bonds herein proposed to be authorized for the improvement of said enterprise, subject to such limitations as the Board may specify at the time of the issuance of the revenue bonds herein proposed to be authorized for the improvement of said enterprise.

Section 4. The Board does hereby submit to the qualified voters of the District at said special revenue bond election the measure set forth in Section 1 of this resolution, and designates and refers to said measure as the measure prescribed for use at said election.

(a) Said special revenue bond election shall be held and conducted, and the votes thereat canvassed and the returns thereof made, and the result thereof ascertained and determined as herein provided; and in all particulars not prescribed by this resolution said special revenue bond election shall be held and conducted and the votes received and canvassed in the manner provided by law for the holding of general elections in the District.

(b) All persons qualified to vote at elections in the District upon the date of the election herein provided for shall be qualified to vote upon the measure submitted at said special revenue bond election.

(c) Said special revenue bond election shall be conducted as a mailed ballot election, in accordance with the

provisions of Sections 1340 et seq. and Section 23511.1 of the Elections Code, and there shall be no polling places for said special revenue bond election.

(d) Each voter to vote for the measure hereby submitted and for issuing said revenue bonds shall mark a cross (+) in the blank space opposite the word "YES" on the ballot to the right of said measure, and to vote against said measure and against issuing said revenue bonds shall mark a cross (+) in the blank space opposite the word "NO" on the ballot to the right of said measure. The cross (+) may be marked with either pen or pencil.

(e) The County Clerk of Colusa County shall commence the canvass of the returns of said special revenue bond election at 9:00 o'clock A.M. on Thursday, August 20, 1981, at her office, and at the conclusion thereof shall declare the result of said special revenue bond election.

(f) The Board shall meet on Tuesday, August 25, 1981, at 7:30 P.M. at its usual meeting place and declare the result of said special revenue bond election, and shall cause to be spread upon its minutes a statement of the result of said special revenue bond election as ascertained by said canvass.

Section 5. The Secretary of the Board of Directors of the District is hereby directed upon the passage and adoption of this resolution to post the same in three (3) public places in the District for two (2) succeeding weeks, there

being no newspaper published in the District, and no other notice of the election hereby called need be given.

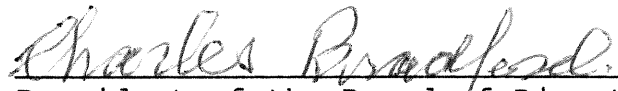
Section 6. This resolution shall be forthwith entered upon the minutes of the Board and shall take effect immediately upon adoption.

PASSED AND ADOPTED on May 28, 1981, by the following vote:

AYES: Directors Charles Bradford, Frank Argo, Eugene Mendes and Bernoy Bradford.

NOES: None.

ABSENT: Director Jim Campbell.



President of the Board of Directors
of Princeton Waterworks District

[SEAL]

Attest:



Secretary of the Board of Directors
of Princeton Waterworks District

SECRETARY'S CERTIFICATE

I, Bernoy Bradford, Secretary of the Board of Directors of Princeton Waterworks District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a special meeting of said Board of Directors duly and regularly and legally held at the regular meeting place thereof on May 28, 1981, of which meeting all of the members of said Board of Directors had due notice and at which a majority thereof was present.

At said meeting said resolution was adopted by the following vote:

AYES: Directors Charles Bradford, Frank Argo, Eugene Mendes and Bernoy Bradford.

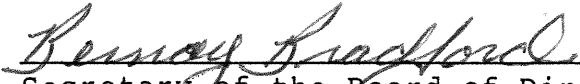
NOES: None

ABSENT: Director Jim Campbell.

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

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.

Dated: May 28, 1981


Secretary of the Board of Directors
of Princeton Waterworks District

[SEAL]