

RESOLUTION NO. 2171

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT
WITH RESPECT TO PLUMAS LAKE COMMUNITY FACILITIES DISTRICT
NO. 2002-1 AUTHORIZING THE EXECUTION AND DELIVERY OF A FISCAL
AGENT AGREEMENT, A BOND PURCHASE AGREEMENT, AND A CONTINUING
DISCLOSURE AGREEMENT; AUTHORIZING THE ISSUANCE OF BONDS;
APPROVING THE FORM OF THE OFFICIAL STATEMENT AND THE
DISTRIBUTION THEREOF,
AND AUTHORIZING OTHER ACTIONS RELATED THERETO**

WHEREAS, the Board of Directors (the "Board") of the Olivehurst Public Utility District (the "District") on November 21, 2002, duly adopted its Resolution No. 2037 (the "Resolution of Formation") establishing Olivehurst Public Utility District Plumas Lake Community Facilities District No. 2002-1 (the "Plumas Lake CFD No. 2002-1") pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the California Government Code) (the "Act"), for the purpose of providing for the financing for certain public facilities (the "Facilities"), including any incidental expenses;

WHEREAS, at an election held in the Plumas Lake CFD No. 2002-1 on November 21, 2002, the qualified electors therein duly authorized the issuance of twenty-seven million dollars (\$27,000,000) principal amount of special tax bonds pursuant to the terms of the Act, for the purpose of financing the acquisition and construction of the Facilities;

WHEREAS, the qualified electors of the Plumas Lake CFD No. 2002-1 at such election additionally authorized the levy and collection of a special tax under the Act to be used for the purpose, among others, of paying the interest on and the principal of and redemption premiums, if any, on such special tax bonds;

WHEREAS, the District issued its first series of bonds on May 11, 2005, in the aggregate principal amount of \$7,910,000, entitled the "Olivehurst Public Utility District, Plumas Lake Community Facilities District No. 2002-1, Special Tax Bonds, Series 2005;"

WHEREAS, the Board has determined to authorize the issuance of its second series of special tax bonds on a subordinate basis (the "Series 2008 Bonds") pursuant hereto and to secure the Series 2008 Bonds in the manner provided herein;

WHEREAS, the following documents and proposed agreements relating to the issuance, sale and delivery of the Series 2008 Bonds by the Plumas Lake CFD No. 2002-1, which are incorporated herein by reference, have been presented to the Board for its review and approval:

1. The Fiscal Agent Agreement (the "Fiscal Agent Agreement") between U.S. Bank National Association, as fiscal agent, and the District, pursuant to which the District will issue the Series 2008 Bonds;

2. The Bond Purchase Agreement (the “Bond Purchase Agreement”) by and between the District and Banc of America Securities LLC (the “Underwriter”), whereby the District will sell the Series 2008 Bonds to the Underwriter;
3. The Official Statement relating to the Series 2008 Bonds (the “Official Statement”); and
4. The Continuing Disclosure Agreement relating to the Series 2008 Bonds (the “Continuing Disclosure Agreement”);

WHEREAS, based on information in the appraisal report of P. Richard Seevers, Kevin K. Ziegenmeyer, and Eric A. Segal, state-certified real estate appraisers, presented to the District, the total value of real property that would be subject to the special tax to pay debt service on the Series 2008 Bonds will be at least three times the allocable principal amount of the Series 2008 Bonds and any other outstanding bonds secured by special tax or assessment liens on property within the Plumas Lake CFD No. 2002-1;

WHEREAS, all acts, conditions, and things required by law to exist, to have happened and to have been performed precedent to and in connection with the issuing of the Series 2008 Bonds and the execution and entering into of the Fiscal Agent Agreement do exist, have happened, and have been performed in regular and due time, form and manner as required by law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Olivehurst Public Utility District that:

1. **Recitals.** The Board hereby determines that the foregoing recitals are true and correct.

2. **Authorization of Officers to Execute and Deliver Documents.** The Board hereby authorizes the President of the Board and the General Manager (the “Designated Officers”), and each of them individually, for and in the name of the and on behalf of the District, to approve, execute, and deliver the following agreements and documents:

- (a) The Fiscal Agent Agreement;
- (b) The Bond Purchase Agreement;
- (c) The Official Statement; and
- (d) The Continuing Disclosure Agreement;

in substantially the form presented to the Board at this meeting, which agreements and documents are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the agreement or document for the Board of Directors. The execution of the foregoing by a Designated Officer or Officers shall constitute conclusive evidence of such officer’s or officers’ and the Board’s approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements and documents presented to the Board at this meeting. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, forms,

registration privileges, place or places of payment, terms of redemption, and other terms of the Series 2008 Bonds, shall be as provided in the Fiscal Agent Agreement as finally executed.

3. **Authorization to Issue Bonds.** The Board hereby authorizes the issuance of the Series 2008 Bonds in accordance with the terms of the Fiscal Agent Agreement as finally executed.

4. **Authorization of Sale.** The Board hereby authorizes the sale of not to exceed \$5,000,000 principal amount of Series 2008 Bonds to the Underwriter pursuant to the Bond Purchase Agreement. The Designated Officers are hereby authorized and directed to negotiate with the Underwriter the final terms of the sale and its timing. The Board hereby determines that the sale of the Series 2008 Bonds by negotiation would result in an overall lower cost.

5. **Execution of Series 2008 Bonds.** The Board hereby authorizes and directs the President and the Deputy Clerk to execute each of the Series 2008 Bonds on behalf of the District.

6. **Designation of Bond Counsel, Disclosure Counsel, and Financial Advisor.** The Board hereby acknowledges and approves Kronick, Moskovitz, Tiedemann & Girard, A Professional Corporation, as Bond Counsel, Jones Hall Inc. as Disclosure Counsel, and Fieldmann, Rolapp & Associates, as Financial Advisor.

7. **Selection of Fiscal Agent.** The Board hereby acknowledges and approves U.S. Bank National Association as Fiscal Agent.

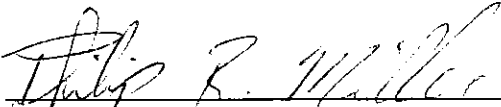
8. **Distribution of Official Statement.** The Board hereby authorizes the Underwriter to distribute copies of the Official Statement in preliminary form to persons who may be interested in the purchase of the Series 2008 Bonds and authorizes and directs the Underwriter to deliver copies of the final Official Statement to all purchasers of the Series 2008 Bonds. The Board hereby authorizes and directs the President of the Board and the General Manager, or either of them, to deliver to the Underwriter a certificate to the effect that the Board deems the preliminary Official Statement, in the form approved by the Designated Officer or Officers, to be final and complete as of its date, except for certain final pricing and related information that may be omitted pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

9. **General Authorization.** The Board hereby authorizes and directs the Designated Officers and the Deputy Clerk, and each of them, for and in the name of and on behalf of the District, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Series 2008 Bonds and otherwise to carry out, give effect to, and comply with the terms and intent of this resolution. All actions heretofore taken by such officers and agents that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved in all respects.

10. **Effective Date.** This resolution shall take effect immediately upon its passage.

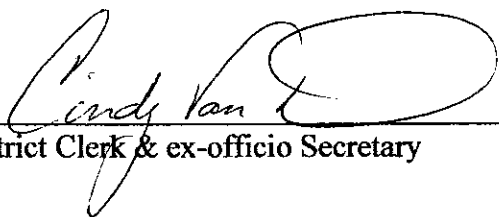
PASSED AND ADOPTED this 21st day of February 2008.

OLIVEHURST PUBLIC UTILITY DISTRICT

By: 

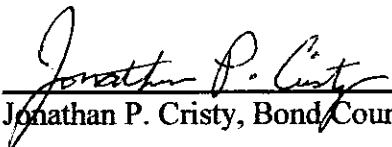
President, Board of Directors

ATTEST:



District Clerk & ex-officio Secretary

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

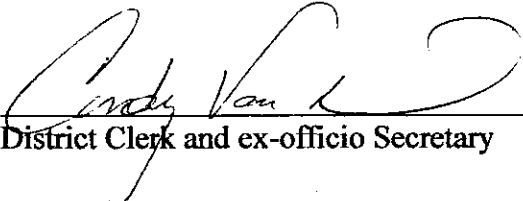


Jonathan P. Cristy, Bond Counsel

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I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 21st day of February 2008, by the following vote:

AYES, AND IN FAVOR THEREOF:	Director Carpenter, Hollis, Patty, and Miller.
NOES	: None.
ABSTAIN	: None.
ABSENT	: Director Morrison


District Clerk and ex-officio Secretary